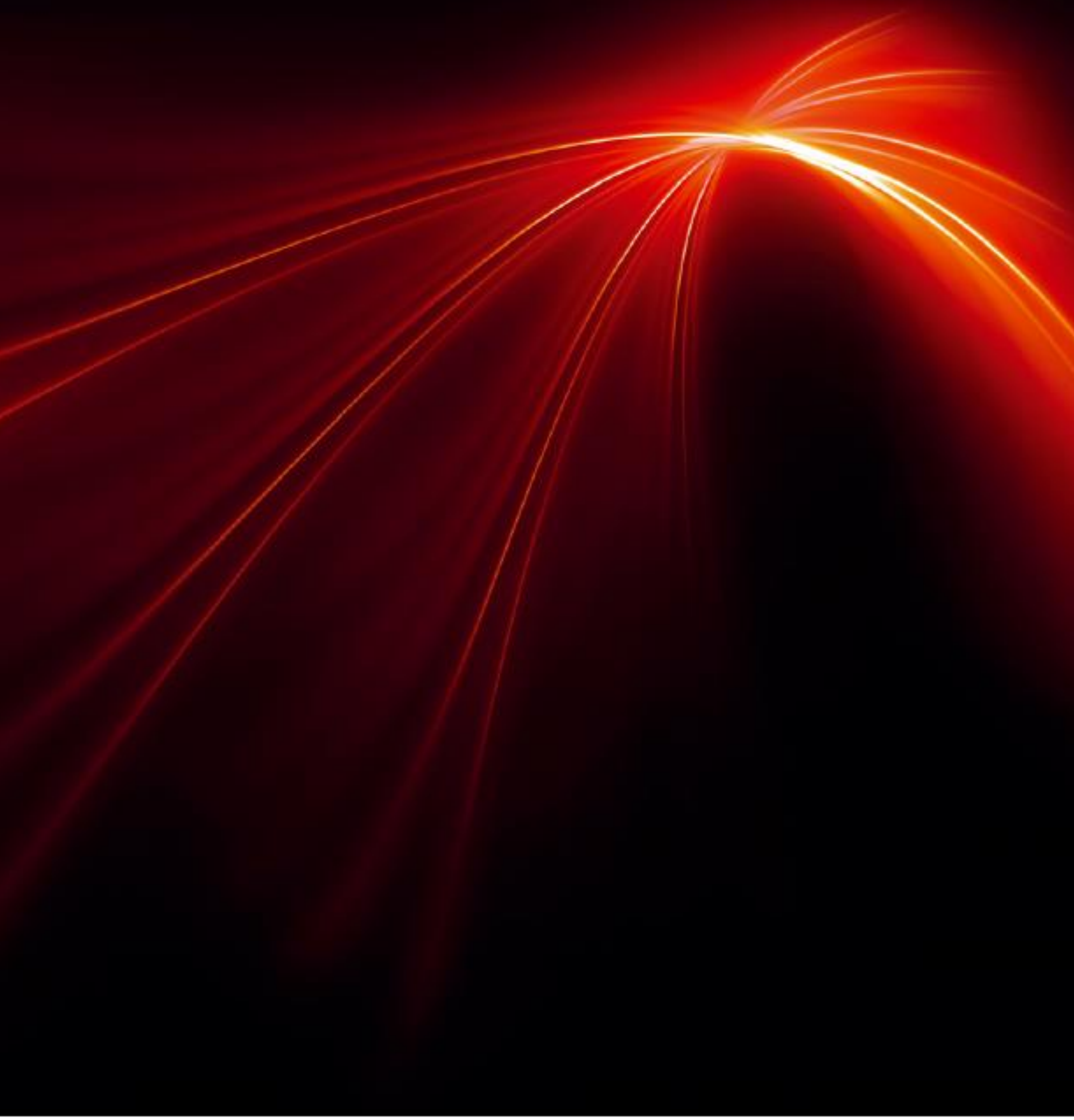

Bank Austria Group Disclosure (Pillar III)
as at 31 December 2023

Empowering
Communities to Progress.

Bank Austria
Member of UniCredit

Table of Content

Disclosure of own funds

Disclosure of own funds (Article 437 CRR in combination with Article 492 CRR)

Starting from 1 January 2014, the calculation of capital requirements takes into account the regulatory framework known as “Basel 3”, adopted as a result of the Regulation (EU)575/2013 on prudential requirements for credit institutions and investment firms (Capital Requirements Regulation - “CRR”), updated in the Regulation (EU) 876/2019 (“CRR2”) and subsequently amended in the Regulation (EU) 873/2020, and in the Directive (EU) 2013/36 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (Capital Requirements Directive IV - “CRDIV”), also according to their adoption by Austrian Laws.

The Basel Committee’s framework is based on three pillars:
• Pillar I on minimum capital requirements, which defines the rules for the calculation of credit, market and operational risk;
• Pillar II, about Supervisory Review and Evaluation Process (SREP), which requires banks to (i) undertake an Internal Capital Adequacy Assessment Process (ICAAP) to identify and assess risks, also those not included in Pillar I; (ii) maintain sufficient capital to face these risks; (iii) an Internal Liquidity Adequacy Assessment Process (ILAAP) focusing on maintaining sufficient liquidity (and funding) risk management;
• Pillar III (Market Disclosure), which encourages market discipline and transparency by developing a set of qualitative and quantitative disclosure requirements, thus allowing investors and other market participants to better assess institutions’ capital, risk exposures, risk assessment processes and capital adequacy.

Such regulation foresees the following breakdown of Own Funds:
- Tier 1 Capital (T1), consisting of:
  - Common Equity Tier 1 Capital (CET1) and
  - Additional Tier 1 Capital (AT1);
- Tier 2 Capital (T2);
- The sum of Tier 1 Capital and Tier 2 Capital generates the Total Own Funds (Total Capital).

It is worth mentioning that in the update to the Regulation (EU) 575/2013 transposed in the Regulation (EU) 876/2019 (CRR2), the main impacts on Own Funds calculation, applicable starting from 30 June 2019, derive from the modification to the computability rules of the Additional Tier 1 and Tier 2 instruments. In particular, considering the new conditions provisioned by the CRR2 articles 52 and 63, an additional grandfathering framework has been introduced to the instruments issued before 27 June 2019 and valid until 28 June 2025 for those instruments that do not comply with the new computability conditions presented (ref. CRR2 article 494b): such grandfathering framework is in addition to the one provisioned by CRR articles 484 - 491.

EU CC2 - Reconciliation of regulatory own funds to balance sheet in the audited financial statements of Bank Austria Group as at 31 December 2023

In this section of Bank Austria group disclosure the prudential scope of consolidation is reported.

The scope of consolidation is determined according to the prudential regulations and differs from the scope of the Consolidated Financial Statements, determined under IFRS/IAS and published.

The relationships between the following templates EU CC2 and EU CC1 are shown in the respective reference columns. Additional reconciliation information can be obtained from the "Reconciliation tables EU CC2 - EU CC1" shown between both tables.

Disclosure of own funds

EU CC2 - Reconciliation of regulatory Own Funds to balance sheet in the audited financial statements

(€ million)

		a	b				c	
		ACCOUNTING FIGURES (*)		AMOUNTS RELEVANT FOR OWN FUNDS PURPOSES (**)				
	DESCRIPTION	ACCOUNTING PERIMETER	REGULATORY PERIMETER	COMMON EQUITY TIER 1 (CET1)	ADDITIONAL TIER 1 (AT1)	TIER 2 (T2)	REF. TO TEMPLATE EU CC1	NOTES (***)
	Assets - Breakdown by asset classes according to the balance sheet in the published financial statements							
1	Cash and cash balances	8,730	8,727	-	-	-	-	-
2	Financial assets at fair value through profit or loss	2,170	2,170	-	-	-	-	-
3	*a) Financial assets held for trading*	*1,573*	*1,573*	*1*	-	-	-	*Table G*
4	*b) Financial assets designated at fair value*	*88*	*88*	-	-	-	-	*Table G*
5	*c) Financial assets mandatorily at fair value*	*509*	*509*	-	-	*13*	-	*Table G*
6	Financial assets at fair value through other comprehensive income	15,332	15,332	96	-	-	-	*Table G*
7	Financial assets at amortised cost	70,289	70,479	-	-	-	-	*Table G*
8	*a) loans and advances to banks*	*4,678*	*4,678*	-	-	*231*	*55*	*Table G*
9	*b) loans and advances to customers*	*65,611*	*65,802*	-	-	*22*	*55*	*Table G*
10	Hedging derivatives	2,862	2,862	-	-	-	-	*Table G*
11	Changes in fair value of portfolio hedged items	(1,285)	(1,285)	-	-	-	-	*Table G*
12	Equity investments	2,850	2,866	2,801	-	-	*8, 19, 23*	*Table G*
13	Property; plant and equipment	839	510	-	-	-	-	-
14	Intangible assets	6	6	-	-	-	*8*	-
15	*of which: other intangible assets*	*6*	*6*	-	-	-	-	*Table F*
16	Tax assets	579	579	-	-	-	-	-
17	*a) current*	*65*	*65*	-	-	-	-	-
18	*b) deferred*	*514*	*514*	-	-	-	*10, 25*	*Table E*
19	Non current assets and disposal groups classified as held for sale	-	-	-	-	-	-	-
20	Other assets	373	533	-	-	-	-	-
	TOTAL ASSETS	**102,745**	**102,780**	**-**	**-**	**-**	**-**	**-**

Disclosure of own funds

continued: EU CC2 - Reconciliation of Regulatory Own Funds to the balance sheet in the audited financial statements

(€ million)

		a	b				c	
		ACCOUNTING FIGURES (*)		AMOUNTS RELEVANT FOR OWN FUNDS PURPOSES (**)				
	DESCRIPTION	ACCOUNTING PERIMETER	REGULATORY PERIMETER	COMMON EQUITY TIER 1 (CET1)	ADDITIONAL TIER 1 (AT1)	TIER 2 (T2)	REF. TO TEMPLATE EU CC1	NOTES (***)
	Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements							
	TOTAL LIABILITIES	**92,294**	**92,329**	**-**	**-**	**-**	**-**	**-**
21	Financial liabilities at amortised cost	84,558	*84,528*	-	-	-	-	-
22	a) deposits from banks	12,466	*12,466*	-	-	-	-	-
23	*of which: deposits from banks - Subordinated*	-	-	-	-	-	-	-
24	b) deposits from customers	*59,834*	*59,804*	-	-	-	-	-
25	*of which: deposits from customers - Subordinated*	*33*	*33*	-	-	-	*46, 48*	*Table I*
26	c) debt securities in issue	12,259	12,259	-	-	-	-	-
27	*of which: subordinated liabilities*	*573*	*573*	-	-	-	*47*	*Table I*
28	Financial liabilities held for trading	*1,570*	*1,570*	-	-	-	-	-
29	Financial liabilities designated at fair value	*61*	*61*	-	-	-	-	-
30	Hedging derivatives	*2,906*	*2,906*	-	-	-	-	-
31	Value adjustment of hedged financial liabilities	*(1,213)*	*(1,213)*	-	-	-	-	-
32	Tax liabilities	*25*	*24*	-	-	-	-	-
33	*a) current*	*20*	*19*	-	-	-	-	-
34	*b) deferred*	*6*	*5*	-	-	-	-	*Table E*
35	Liabilities associated with assets classified as held for sale	-	-	-	-	-	-	*Table I*
36	Other liabilities	*1,041*	*1,113*	-	-	-	-	-
37	Provision for employee severance pay	-	-	-	-	-	-	-
38	Provisions for risks and charges	*3,345*	*3,338*	-	-	-	-	-
39	*a) commitments and guarantees given*	*160*	*160*	-	-	-	*27a*	-
40	*b) post-retirement benefit obligations*	*2,914*	*2,914*	-	-	-	-	
41	*c) other provisions for risks and charges*	*272*	*265*	-	-	-	*27a*	-
	EQUITY	***10,451***	***10,451***	**-**	**-**	**-**	**-**	**-**
42	Valuation reserves	*(1,964)*	*(1,965)*	-	-	-	*3*	*Table C*
43	*of which: not eligible cash flow hedges*	*13*	*13*	-	-	-	*11*	*Table C*
44	Equity instruments	*600*	*600*	-	-	-	*30*	*Table A*
45	Reserves	*4,845*	*4,846*	-	-	-	-	-
46	*Retained earnings*	*3,325*	*3,325*	-	-	-	*2*	*Table B*
47	*Other reserves*	*1,520*	*1,521*	-	-	-	*3*	*Table C*
48	Share premium	*4,135*	*4,135*	-	-	-	*1*	*Table A*
49	Share capital	*1,681*	*1,681*	-	-	-	*1*	*Table A*
50	Treasury shares	-	-	-	-	-	*5, 34*	*Table D*
51	Minority shareholders' equity (+/-)	*34*	*34*	-	-	-	*5, 34*	*Table D*
52	Profit (Loss) of the year (+/-)	*1,120*	*1,120*	-	-	-	*2*	*Table B*
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**102,745**	**102,780**	**-**	**-**	**-**	**-**	**-**

Disclosure of own funds

EU CC1 - Composition of regulatory own funds

EU CC1 - Composition of regulatory Own Funds

(€ million)

		a		b	c
DESCRIPTION		AMOUNTS AS AT 31.12.2023	AMOUNTS AS AT 31.12.2022	SOURCE BASED ON REFERENCE NUMBERS/ LETTERS OF THE BALANCE SHEET UNDER THE REGULATORY SCOPE OF CONSOLIDATION	REFERENCE TO RECONCILIATION TABLES EU CC2 - EU CC1
Common Equity Tier 1 (CET1) capital: instruments and reserves.					
1	Capital instruments and the related share premium accounts	5,816	5,815	48, 49, 50	Tab A
	of which: Ordinary shares	*1,681*	*1,681*	*49*	*Tab A*
2	Retained earnings	3,613	3,228	46, 52	Tab B
3	Accumulated other comprehensive income (and other reserves)	(444)	(473)	42, 47	Tab C
EU-3a	Funds for general banking risk	-	-		
4	Amount of qualifying items referred to in article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	-	-	60	
5	Minority interests (amount allowed in consolidated CET1)	11	11	51	Tab D
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	-	52	Tab B
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**8,996**	**8,580**		
Common Equity Tier 1 (CET1) capital: regulatory adjustments					
7	Additional value adjustments (negative amount)	(13)	(20)		Tab J
8	Intangible assets (net of related tax liability) (negative amount)	(49)	(44)	14, 15	Tab F, Tab J
9	Not applicable				
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in article 38(3) CRR are met) (negative amount)	(128)	(252)	18	Tab E, Tab J
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	(13)	(42)	43	Tab C, Tab J
12	Negative amounts resulting from the calculation of expected loss amounts	-	-		Tab J
13	Any increase in equity that results from securitised assets (negative amount)	-	-		
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	(20)	(40)		Tab J
15	Defined-benefit pension fund assets (negative amount)	-	-		
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	-		
17	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-		
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-		
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	(2,007)	(1,685)	3, 4, 5, 6, 12	Tab G, Tab J
20	Not applicable				
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	-		
EU-20b	*of which: qualifying holdings outside the financial sector (negative amount)*	-	-		
EU-20c	*of which: securitisation positions (negative amount)*	-	-		
EU-20d	*of which: free deliveries (negative amount)*	-	-		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38(3) CRR are met) (negative amount)	-	-		
22	Amount exceeding the 17.65% threshold (negative amount)	(317)	(382)		
23	*of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities*	*(217)*	*(241)*	*3, 4, 5, 6, 12*	*Tab G, Tab J*
24	Not applicable				
25	*of which: deferred tax assets arising from temporary differences*	*(99)*	*(141)*	*18*	*Tab H, Tab J*
EU-25a	Losses for the current financial year (negative amount)	-	-		
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	-		
26	Not applicable				
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	-		
27a	Other regulatory adjustments	(41)	73	39, 41	Tab J
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**(2,588)**	**(2,392)**		
29	**Common Equity Tier 1 (CET1) capital**	**6,408**	**6,188**		

Disclosure of own funds

continued: EU CC1 - Composition of regulatory Own Funds

(€ million)

DESCRIPTION		a AMOUNTS AS AT 31.12.2023	AMOUNTS AS AT 31.12.2022	b SOURCE BASED ON REFERENCE NUMBERS/ LETTERS OF THE BALANCE SHEET UNDER THE REGULATORY SCOPE OF CONSOLIDATION	c REFERENCE TO RECONCILIATION TABLES EU CC2 - EU CC1
Additional Tier 1 (AT1) capital: instruments					
30	Capital instruments and the related share premium accounts	600	600	44	Tab A
31	*of which: classified as equity under applicable accounting standards*	*600*	*600*	*44*	*Tab A*
32	*of which: classified as liabilities under applicable accounting standards*	-	-		
33	Amount of qualifying items referred to in article 484(4) CRR and the related share premium accounts subject to phase out from AT1	-	-		
EU-33a	Amount of qualifying items referred to in article 494a(1) CRR subject to phase out from AT1	-	-		
EU-33b	Amount of qualifying items referred to in article 494b(1) CRR subject to phase out from AT1	-	-		
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	2	2	51	Tab D
35	*of which: instruments issued by subsidiaries subject to phase out*	-	-		
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**602**	**602**		
Additional Tier 1 (AT1) capital: regulatory adjustments					
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	-		
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-		
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-		
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	-		
41	Not applicable				
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	-		
42a	Other regulatory adjustments to AT1 capital	-	-		
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**-**	**-**		
44	**Additional Tier 1 (AT1) capital**	**602**	**602**		
45	**Tier 1 capital (T1 = CET1 + AT1)**	**7,010**	**6,791**		
Tier 2 (T2) capital: instruments					
46	Capital instruments and the related share premium accounts	25	26	23, 25, 27	Tab I
47	Amount of qualifying items referred to in article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in article 486(4) CRR	542	553	23, 25, 27	Tab I
EU-47a	Amount of qualifying items referred to in article 494a(2) CRR subject to phase out from T2	-	-		
EU-47b	Amount of qualifying items referred to in article 494b(2) CRR subject to phase out from T2	542	553		
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	1	1	23, 25, 27	Tab D
49	*of which: instruments issued by subsidiaries subject to phase out*	-	-		
50	Credit risk adjustments	140	129	39, 41	
51	**Tier 2 (T2) capital before regulatory adjustments**	**707**	**708**		
Tier 2 (T2) capital: regulatory adjustments					
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	-		Tab I
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-		
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-		
54a	Not applicable				
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	-	3, 4, 5, 6, 8, 9	Tab G
56	Not applicable				
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	-		
EU-56b	Other regulatory adjustments to T2 capital	-	-		
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**-**	**-**		
58	**Tier 2 (T2) capital**	**707**	**708**		
59	**Total capital (TC = T1 + T2)**	**7,718**	**7,499**		
60	**Total Risk exposure amount**	**33,172**	**35,607**		

Disclosure of own funds

continued: EU CC1 - Composition of regulatory Own Funds

(€ million)

DESCRIPTION		a AMOUNTS AS AT 31.12.2023	AMOUNTS AS AT 31.12.2022	b SOURCE BASED ON REFERENCE NUMBERS/ LETTERS OF THE BALANCE SHEET UNDER THE REGULATORY SCOPE OF CONSOLIDATION	c REFERENCE TO RECONCILIATION TABLES EU CC2 - EU CC1
Capital ratios and requirements including buffers					
61	Common Equity Tier 1 capital	19.3%	17.4%		
62	Tier 1 capital	21.1%	19.1%		
63	Total capital	23.3%	21.1%		
64	Institution CET1 overall capital requirements	10.3%	10.0%		
65	*of which: capital conservation buffer requirement*	*2.5%*	*2.5%*		
66	*of which: countercyclical capital buffer requirement*	*0.1%*	*0.05%*		
67	*of which: systemic risk buffer requirement*	*0.5%*	*1.0%*		
EU-67a	*of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement*	*1.8%*	*1.0%*		
EU-67b	*of which: additional own funds requirements to address the risks other than the risk of excessive leverage*	-	-		
68	**Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements**	**13.5%**	**11.3%**		
National minima (if different from Basel III)					
69	Not applicable				
70	Not applicable				
71	Not applicable				
Amounts below the thresholds for deduction (before risk weighting)					
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	280	277		
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	660	577		
74	Not applicable				
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in article 38(3) CRR are met)	301	339		
Applicable caps on the inclusion of provisions in Tier 2					
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	-		
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	67	67		
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	561	422		
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	140	129		
Capital instruments subject to phase-out arrangements (only applicable between 1 January 2014 and 1 January 2022)					
80	Current cap on CET1 instruments subject to phase out arrangements	-	-		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	-		
82	Current cap on AT1 instruments subject to phase out arrangements	-	-		
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	-		
84	Current cap on T2 instruments subject to phase out arrangements	-	-		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-		

1. Common Equity Tier 1 Capital - CET1

Common Equity Tier 1 Capital mainly includes the following elements:

- **Main Common Equity Tier 1 Capital items**, recognised as Common Equity Tier 1 only where they are available to the institution for unrestricted and immediate use to cover risks or losses as soon as these occur: (I) capital instruments, provided the conditions laid down in CRR article 28 or, where applicable, article 29 are met; (II) share premium accounts related to the instruments referred to in point (I); (III) retained earnings; (IV) accumulated other comprehensive income; (V) other reserves; Common Equity Tier 1 Capital items also include minority interests for the computable amount recognised by the CRR;
- **Prudential filters of Common Equity Tier 1 Capital:** (I) filter related to increase in equity under the applicable accounting framework that results from securitised assets; (II) filter related to the fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value; (III) filter related to gains or losses on liabilities of the institution that are valued at fair value that result from changes in the own credit standing of the institution; (IV) filter related to all fair value gains and losses arising from the institution's own credit risk related to derivative liabilities; (V) filter related to additional value adjustments (prudent valuation);

Disclosure of own funds

- **Deductions from Common Equity Tier 1 items:** (I) intangible assets; (II) deferred tax assets (DTA) that rely on future profitability and do not arise from temporary differences; (III) negative amounts resulting from the calculation of expected loss amounts when compared with credit risk adjustments (shortfall) for those positions evaluated according to IRB methods; (IV) defined benefit pension fund assets on the balance sheet of the institution; (V) direct, indirect and synthetic holdings by an institution of own Common Equity Tier 1 instruments, including own Common Equity Tier 1 instruments that an institution is to purchase under an actual or contingent obligation by virtue of an existing contractual obligation; (VI) exposures deducted from CET1 as an alternative to the application of 1,250% risk weight; (VII) the applicable amount of direct, indirect and synthetic holdings by the institution of Common Equity Tier 1 instruments of financial sector entities where the institution does not have a significant investment in those entities (deducted for the amount exceeding the thresholds foreseen by the regulation); (VIII) deferred tax assets (DTA) that rely on future profitability and arise from temporary differences, and the applicable amount of direct, indirect and synthetic holdings by the institution of the Common Equity Tier 1 instruments of financial sector entities where the institution has a significant investment in those entities (deducted for the amount exceeding the thresholds foreseen by the regulation); (IX) the applicable amount of insufficient coverage for non-performing exposures.

2. Additional Tier 1 Capital - AT1

AT1 consists of the following items: (I) capital instruments, where the conditions laid down in CRR2 article 52 are met; (II) the share premium accounts related to the instruments referred to in point (I); (III) capital instruments for the amount computable in Own funds according to the transitional provisions foreseen by the CRR and CRR2 (grandfathering). Furthermore, the Additional Tier 1 Capital includes also the minority interests for the computable amount not already recognised in the Common Equity Tier 1 Capital.

3. Tier 2 Capital - T2

T2 consists of the following items: (I) capital instruments and subordinated loans where the conditions laid down in CRR2 article 63 are met; (II) the share premium accounts related to instruments referred to in point (I); (III) possible surplus of credit risk adjustments with reference to expected losses for positions evaluated according to IRB methods; (IV) capital instruments and subordinated loans for the amount computable in Own funds according to the transitional provisions foreseen by the CRR and CRR2 (grandfathering). The Tier 2 Capital includes also the minority interests for the computable amount not already recognised in the Tier 1 Capital and the T2 instruments issued by the subsidiaries for the computable amount as defined by the CRR.

Disclosure of own funds

Reconciliation tables EU CC2 – EU CC1:

Reconciliation tables EU CC2 - EU CC1

(€ million)

DESCRIPTION		a AMOUNTS AS AT 31.12.2023	b REFERENCE TO EU CC1, EU CC2 OR RECONCILIATION TABLES UNDER THE REGULATORY SCOPE OF CONSOLIDATION
Table A			
	Share capital (ordinary shares)	1,681	EU CC1, row 1a, EU CC2, row 49
add	Share premium	4,135	EU CC2, row 48
less	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	EU CC1, row 16
less	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	EU CC1, row 17
	Capital Instruments and the related share premium accounts	**5,816**	EU CC1, row 1
	Issued equity instruments (AT1)	600	EU CC1, row 30, EU CC2, row 44
add	Share premium (AT1)	-	-
less	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	EU CC1, row 37
less	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	EU CC1, row 38
	Capital Instruments and the related share premium accounts	600	EU CC1, row 30, EU CC2, row 44

Table B			
	Retained earnings	3,325	EU CC2, row 46
add	Net profit	1,120	EU CC2, row 52
less	Planned dividend	(832)	-
	Sum of retained earnings	**3,613**	EU CC1, row 2

Table C			
	Valuation reserves	(1,965)	EU CC2, row 42
add	Other reserves	1,521	EU CC2, row 47
	Accumulated other comprehensive income and other reserves	**(444)**	EU CC1, row 3
	of which relating to cash flow hedges not eligible for own funds	*13*	*EU CC1, row 11, EU CC2, row 43*

Table D			
	Minority interests	34	EU CC2, row 51
less	Surplus capital attributed to minority shareholders	(22)	-
	Minority Interests (amount allowed in consolidated Common Equity Tier 1)	**11**	EU CC1, row 5
	Qualifying Tier 1 capital included in consolidated AT1 capital issued by subsidiaries and held by third parties	**2**	EU CC1, row 34
	Qualifying own funds Instruments included in consolidated Tier 2 capital	**1**	EU CC1, row 48

Disclosure of own funds

Continued: Reconciliation tables EU CC2 - EU CC1

(€ million)

		a	b
DESCRIPTION		AMOUNTS AS AT 31.12.2023	REFERENCE TO EU CC1, EU CC2 OR RECONCILIATION TABLES UNDER THE REGULATORY SCOPE OF CONSOLIDATION
Table E			
	Deferred tax assets (FINREP)	**514**	EU CC2, row 18
	of which: deferred tax assets that rely on future profitability and do not arise from temporary differences	*204*	*Table H*
less	Accounting offsetting	323	-
	subtotal	119	-
	Deferred tax assets that rely on future profitability and arise from temporary differences	**633**	-
	Deferred tax assets that do not rely on future profitability	-	-
	Deferred tax assets that rely on future profitability and arise from temporary differences	633	Table H
	Deferred tax assets that rely on future profitability and do not arise from temporary differences	204	Table H
	Deferred tax assets (COREP)	**837**	-
	Deferred tax liabilities (Netted view of the consolidated FINREP)	**5**	EU CC2, row 34
	Deferred tax liabilities	328	-
less	Accounting offsetting	(323)	-
	Deferred tax liabilities (Netted view of the consolidated FINREP)	5	-
	Effect of netting on legal-entity-level	5	-
	Accounting offsetting	323	-
	Deferred tax liabilities (COREP)	**328**	-
less	*of which: Deferred tax liabilities non deductible from deferred tax assets that rely on future profitability*	*19*	-
	of which: Deferred tax liabilities deductible from deferred tax assets that rely on future profitability	***308***	-
	of which: Deductible deferred tax liabilities associated with deferred tax assets that rely on future profitability and do not arise from temporary differences	*76*	*Table H*
	of which: Deductible deferred tax liabilities associated with deferred tax assets that rely on future profitability and arise from temporary differences	*233*	*Table H*

Table F			
	Goodwill	-	-
	Other intangible assets	6	EU CC2, row 15
	Intangible assets held for sale	-	-
	Minority portion of intangible assets according Art. 32 (c) CRR2	(1)	-
	Prudential valued software - Amount subject to RW=100%	(4)	-
	Deferred tax liabilities associated to goodwill and other intangible assets	-	-
	Intangible assets	**1**	EU CC1, row 8
	(-) Goodwill included in the valuation of significant investments	47	EU CC1, row 8

Disclosure of own funds

Continued: Reconciliation tables EU CC2 - EU CC1

(€ million)

		a	b
DESCRIPTION		**AMOUNTS AS AT 31.12.2023**	**REFERENCE TO EU CC1, EU CC2 OR RECONCILIATION TABLES UNDER THE REGULATORY SCOPE OF CONSOLIDATION**
Table G			
	Financial assets at fair value through profit or loss	**14**	EU CC2, row 2
	Financial assets held for trading	**1**	EU CC2, row 3
	of which: significant investments in Common Equity Tier 1	-	-
	of which: significant investments in Additional Tier 1	-	-
	of which: significant investments in Tier 2 capital	-	-
	of which: non-significant investments in Common Equity Tier 1	*1*	-
	of which: non-significant investments in Additional Tier 1	-	-
	of which: non-significant investments in Tier 2 capital	-	-
	Financial assets designated at fair value	**-**	EU CC2, row 4
	of which: significant investments in Common Equity Tier 1	-	-
	of which: significant investments in Additional Tier 1	-	-
	of which: significant investments in Tier 2 capital	-	-
	of which: non-significant investments in Common Equity Tier 1	-	-
	of which: non-significant investments in Additional Tier 1	-	-
	of which: non-significant investments in Tier 2 capital	-	-
	Financial assets mandatorily at fair value	**13**	EU CC2, row 5
	of which: significant investments in Common Equity Tier 1	-	-
	of which: significant investments in Additional Tier 1	-	-
	of which: significant investments in Tier 2 capital	-	-
	of which: non-significant investments in Common Equity Tier 1	-	-
	of which: non-significant investments in Additional Tier 1	-	-
	of which: non-significant investments in Tier 2 capital	*13*	-
	Financial assets at fair value through other comprehensive income	**96**	EU CC2, row 6
	of which: significant investments in Common Equity Tier 1	83	-
	of which: significant investments in Additional Tier 1	-	-
	of which: significant investments in Tier 2 capital	-	-
	of which: non-significant investments in Common Equity Tier 1	13	-
	of which: non-significant investments in Additional Tier 1	-	-
	of which: non-significant investments in Tier 2 capital	-	-

Disclosure of own funds

Continued: Reconciliation tables EU CC2 - EU CC1 - Table G

(€ million)

	a	b
DESCRIPTION	AMOUNTS AS AT 31.12.2023	REFERENCE TO EU CC1, EU CC2 OR RECONCILIATION TABLES UNDER THE REGULATORY SCOPE OF CONSOLIDATION
Table G		
Financial assets at amortised cost	**253**	EU CC2, row 7
Loans and receivables with banks	**231**	EU CC2, row 8
of which: significant investments in Common Equity Tier 1	-	-
of which: significant investments in Additional Tier 1	-	-
of which: significant investments in Tier 2 capital	-	-
of which: non-significant investments in Common Equity Tier 1	-	-
of which: non-significant investments in Additional Tier 1	-	-
of which: non-significant investments in Tier 2 capital	*230*	-
Loans and receivables with customers	**22**	EU CC2, row 9
of which: significant investments in Common Equity Tier 1	-	-
of which: significant investments in Additional Tier 1	-	-
of which: significant investments in Tier 2 capital	-	-
of which: non-significant investments in Common Equity Tier 1	-	-
of which: non-significant investments in Additional Tier 1	-	-
of which: non-significant investments in Tier 2 capital	*22*	-
Investments in associates and joint ventures	**2,801**	EU CC2, row 12
of which: significant investments in Common Equity Tier 1	*2,801*	-
of which: significant investments in Additional Tier 1	-	-
of which: significant investments in Tier 2 capital	-	-
of which: non-significant investments in Common Equity Tier 1	-	-
of which: non-significant investments in Additional Tier 1	-	-
of which: non-significant investments in Tier 2 capital	-	-
Significant investments	**2,885**	-
in Common Equity Tier 1	*2,885*	*sum of EU CC1, rows 18, 19, 23, 73*
in AT 1 capital	-	*EU CC1, rows 39, 40*
in Tier 2 capital	-	*EU CC1, rows 54, 55*
Non-significant investments	**280**	-
in Common Equity Tier 1	*15*	-
in AT 1 capital	-	-
in Tier 2 capital	*265*	-
Amount of significant investments in Common Equity Tier 1 above the 10% threshold	(2,007)	EU CC1, row 19
Amount of significant investments in Common Equity Tier 1 above the 17.65% threshold	(217)	EU CC1, row 23
Amount of significant investments in Common Equity Tier 1 below threshold	660	EU CC1, row 73
Amount of non-significant investments above the 10% threshold	-	EU CC1, row 18
Amount of non-significant investments below the 10% threshold	280	EU CC1, row 72

Disclosure of own funds

Continued: Reconciliation tables EU CC2 - EU CC1

(€ million)

		a	b
DESCRIPTION		**AMOUNTS AS AT 31.12.2023**	**REFERENCE TO EU CC1, EU CC2 OR RECONCILIATION TABLES UNDER THE REGULATORY SCOPE OF CONSOLIDATION**
Table H			
	Deferred tax assets that rely on future profitability and do not arise from temporary differences	**204**	Table E
	Deductible deferred tax liabilities associated with deferred tax assets that rely on future profitability and do not arise from temporary differences	76	Table E
	Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	**128**	EU CC1, row 10
	Deferred tax assets that rely on future profitability and arise from temporary differences	**633**	Table E
	Deductible deferred tax liabilities associated with deferred tax assets that rely on future profitability and arise from temporary differences	233	Table E
	Deferred taxes assets (net)	**401**	-
	of which: amount of deferred taxes above the 10% threshold	-	*EU CC1, row 21*
	of which: amount of deferred tax assets above the 17.65% threshold	*99*	*EU CC1, row 25*
	of which: amount of deferred tax assets below threshold	*301*	*EU CC1, row 75*

Table I			
	Subordinated deposits from banks	-	EU CC2, row 23
	Subordinated deposits from customers	33	EU CC2, row 25
	Subordinated debt securities issued	573	EU CC2, row 27
	Subordinated liabilities included in disposal groups classified as held for sale	-	EU CC2, row 35
	Sum of subordinated liabilities / balance sheet value	**606**	**-**
	of which: attributed to UniCredit Bank Austria AG	*605*	-
	of which: subject to minority calculation	*1*	Table D
less	Amortization, disagio, interest and hedging	(39)	-
	Computable amount under regulatory scope	**567**	EU CC1, rows 46 and 47
	of which: capital instruments and the related share premium accounts	*567*	-
	of which: direct and indirect holdings by an institution of own Tier 2 instruments and subordinated loans	-	*EU CC1, row 52*
	of which: deduction for Reciprocal cross holdings in T2 Capital	-	*EU CC1, row 53*
	of which: Instruments governed by third-country law without effective and enforceable exercise of Article 59 BRRD powers	*542*	*EU CC1, row EU-47b*

Disclosure of own funds

Continued: Reconciliation tables EU CC2 - EU CC1

(€ million)

	a	b
DESCRIPTION	AMOUNTS AS AT 31.12.2023	REFERENCE TO EU CC1, EU CC2 OR RECONCILIATION TABLES UNDER THE REGULATORY SCOPE OF CONSOLIDATION
Table J		
Deductions from and adjustments to CET1	**(2,588)**	EU CC1, row 28
of which: Additional value adjustments (CRR Art. 34 + Art. 150)	*(13)*	*EU CC1, row 7*
of which: intangible assets	*(49)*	*EU CC1, row 8*
of which: deferred tax assets that rely an future profitability excluding those arising from temporary differences	*(128)*	*EU CC1, row 10*
of which: fair value reserves related to gains or losses on cash flow hedges	*(13)*	*EU CC1, row 11*
of which: negative amounts resulting from the calculation of expected loss amounts	-	*EU CC1, row 12*
of which: any increase in equity that results from securitised assets (negative amount)	-	*EU CC1, row 13*
of which: gains or losses on liabilities valued at fair value resulting from changes in own credit standing	*(20)*	*EU CC1, row 14*
of which: Defined-benefit pension fund assets (negative amount)	-	*EU CC1, row 15*
of which: Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	*EU CC1, row 16*
of which Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	*EU CC1, row 17*
of which Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	*EU CC1, row 18*
of which: exceeding the 10% threshold for direct, indirect and synthetic holdings by the Institution of financial sector entities where the institution has a significant Investment	*(2,007)*	*EU CC1, row 19*
of which: exposure amount of the following items which qualify for a RW of 1250%	-	*EU CC1, row 20a*
of which: qualifying holdings outside the financial sector (negative amount)	-	*EU CC1, row 20b*
of which: securitisation positions (negative amount)	-	*EU CC1, row 20c*
of which: free deliveries (negative amount)	-	*EU CC1, row 20d*
of which: Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-	*EU CC1, row 21*
of which: exceeding the 17.65% threshold for direct and indirect holdings by the Institution of the CET1 Instruments of financial sector entities where the Institution has a significant Investment in those entities	*(217)*	*EU CC1, row 23*
of which: exceeding the 17.65% threshold for deferred tax assets arising from temporary differences	*(99)*	*EU CC1, row 25*
of which: Losses for the current financial year (negative amount)	-	*EU CC1, row 25a*
Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	EU CC1, row 25b
Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	EU CC1, row 27
of which: other regulatory adjustments to CET1 capital (including IFRS 9 transitional adjustments)	*(41)*	*EU CC1, row 27a*

Disclosure of capital requirements

Disclosure of capital requirements (Article 438 CRR)

The capital planning, budgeting and monitoring processes within UniCredit Bank Austria are carried out by the responsible local functions and are in line with the respective UniCredit Group guidelines.

The Capital Requirements Regulation (CRR) and the Capital Requirements Directive (CRD IV) for the implementation of Basel 3 in the European Union were published in the EU Official Journal on 27 June 2013. The legal framework replaces Capital Requirements Directives 2006/48/EC and 2006/49/EC and came into force in Austria on 1 January 2014. The EU banking package introduced further, essential changes to the Basel 3 framework with regards to CRR (→ "CRR II") and CRD IV (→ "CRD V"). It was published in the EU Official Journal on 7 June 2019 and entered into force on 27 June 2019.

Basel 3 framework demands for stricter capital requirements with a minimum of Common Equity Tier 1 Capital of 4.5%, Total Tier 1 Capital of 6% and Total Capital of 8% of RWAs.

In addition, all banks are required to hold a capital conservation buffer consisting of Common Equity Tier 1 Capital of 2.5% on top of the new minimum requirements. This will lead to an effective total requirement of 7% Common Equity Tier 1 Capital, 8.5% Tier 1 Capital and 10.5% Total Capital.

Furthermore, Member States can set an additional buffer requirement to dampen excess lending growth (counter-cyclical buffer usually are between 0% and 2.5%). According to legislation (*Kapitalpuffer-Verordnung / KP-V*) and starting with 1.1.2016, the countercyclical buffer for Austrian exposure was set to 0%. In addition, the authorities can set systemic risk buffers (SyRB) and capital surcharges for systemically important banks. According to CRD V, the two buffers (systemic risk buffer and the surcharge for systemically important banks) have to be applied cumulatively starting with June 2021. The authorities may also impose a sectoral risk buffer.

The SyRB for UniCredit Bank Austria Group in 2023 was set at 0.50% and the surcharge for systemically important banks is 1.75%, both have to be applied cumulatively starting with June 2021, in accordance with CRD V.

UniCredit Bank Austria AG shall at all times meet, on an individual basis and on a subconsolidated basis a total SREP capital requirement (TSCR) of 9.75% (which includes a Pillar 2 additional own funds requirement of 1.75%, to be held in the form of 56.25% of Common Equity Tier 1 (CET1) capital and 75% of Tier 1 capital, as a minimum).

In Austria, the BRRD II was transposed into national law by amending the Bank Recovery and Resolution Act (BaSAG) as published on 28 May 2021.

The MREL regulation based on the "Total Liabilities and Own Funds" (TLOF) was cancelled and replaced by the calculation based on the RWA (Total Risk Exposure Amount, TREA) and the Leverage Ratio Exposure (LRE).
The regulatory MREL interim target is binding since 1 January 2022.

For 2023 the Internal MREL Target on RWA (TREA) is 19.73% + Combined Buffer Requirements and the Internal MREL Target on Leverage Exposure (LRE) is 5.68%.

The above internal MREL targets are applicable at UniCredit Bank Austria AG individual level only.

The CET1 ratio transitional as of 31 December 2023 increased vs. previous year by +194bps to 19.32% due to lower RWA (€ -2.435mn) and higher Regulatory CET1 (€+220m) reflecting the continuation of credit risk strategy with a focus on high quality rating classes.

Bank Austria continues to have a solid capital base to meet the own funds requirements pursuant to Art. 92 CRR / Art. 129 CRD IV.

With reference to EU law (CRR, CRD IV) the following applies:
Should there be a reference to stipulations of the EU Regulation "CRR" as mentioned in this document, the Regulation (EU) No. 575/2013 on prudential requirements for credit institutions and investment firms and amending the Regulation (EU) No. 648/2012 and its applicable amendments.

Should there be a reference to stipulations of the EU Directive "CRD" as mentioned in this document, the Directive (EU) No. 2013/36 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms and its applicable amendments as implemented in "*Bankwesengesetz*" (BWG).

Disclosure of capital requirements

Internal Capital Adequacy Assessment Process (ICAAP)

Bank Austria deems as priority the activities of capital management and capital allocation based on the risks taken, with the aim of expanding business activities with respective value creation. Therefore, the capital and its allocation are of relevant importance in the definition of corporate strategies.

The ICAAP forms an integral part of the Pillar 2 requirements according to CRR. Maintaining an adequate level of capital is a core objective of Bank Austria, it is measured by the Risk-Taking Capacity (RTC). Bank Austria's RTC calculates the economic risks across all relevant risk types and relates them to the available financial resources (AFR) which are held to cover such risks.

The risk side of the calculation serves to determine the economic capital requirement from unexpected losses with regard to credit, market, operational and other risks. The risk is calculated in a going concern approach and at a confidence level of 99.90%. The economic capital requirement is then related to the AFR, which are based on regulatory own funds and additional coverage positions available. The RTC is accounted for in the Risk Appetite Framework (RAF) of Bank Austria. The RAF defines, from a strategic perspective, the risk level that Bank Austria is willing to take on by setting limit, trigger and target for the respective Key Performance Indicators (KPIs). This setup enables management at any point in time to monitor the appropriateness and sufficiency of Bank Austria's economic capital adequacy.

The management board and the risk committee are informed at least quarterly on the results of the risk taking capacity, showing also the development of the single components (economic capital, AFR). The calculation, monitoring and steering of the RTC forms a fundamental part of the management of risk and capital at Bank Austria.

Disclosure of capital requirements

EU OV1 – Overview of risk-weighted exposure amounts (Article 438)

EU OV1 - Overview of risk-weighted exposure amounts

(€ million)

DESCRIPTION		RISK WEIGHTED EXPOSURE AMOUNTS (RWEAs) a 31.12.2023	RISK WEIGHTED EXPOSURE AMOUNTS (RWEAs) b 31.12.2022	TOTAL OWN FUNDS REQUIREMENTS c 31.12.2023
1	**Credit risk (excluding CCR)**	**29,410**	**31,287**	**2,353**
2	*Of which: the standardised approach*	*5,320*	*5,309*	*426*
3	*Of which: the foundation IRB (F-IRB) approach*	*687*	*696*	*55*
4	*Of which: slotting approach*	*458*	*534*	*37*
EU 4a	*Of which: equities under the simple risk weighted approach*	*3*	*15*	*-*
5	*Of which: the advanced IRB (A-IRB) approach*	*21,370*	*19,177*	*1,710*
6	**Counterparty credit risk - CCR**	**387**	**579**	**31**
7	*Of which: the standardised approach*	*3*	*2*	*-*
8	*Of which: internal model method (IMM)*	*317*	*480*	*25*
EU 8a	*Of which: exposures to a CCP*	*53*	*29*	*4*
EU 8b	*Of which: credit valuation adjustment - CVA*	*14*	*68*	*1*
9	*Of which: other CCR*	*-*	*-*	*-*
15	**Settlement risk**	**-**	**-**	**-**
16	**Securitisation exposures in the non-trading book (after the cap)**	**4**	**5**	**-**
17	*Of which: SEC-IRBA approach*	*-*	*-*	*-*
18	*Of which: SEC-ERBA (including IAA)*	*-*	*-*	*-*
19	*Of which: SEC-SA approach*	*-*	*-*	*-*
EU 19a	*Of which: 1250%/deduction*	*-*	*-*	*-*
	Of which: Specific treatment for senior tranches of qualifying NPE securitisations	*-*	*-*	*-*
20	**Position, foreign exchange and commodities risks (Market risk)**	**276**	**674**	**22**
21	*Of which: the standardised approach*	*1*	*-*	*-*
22	*Of which: IMA*	*274*	*674*	*22*
EU 22a	**Large exposures**	**-**	**-**	**-**
23	**Operational risk**	**3,095**	**3,062**	**248**
EU 23a	*Of which: basic indicator approach*	*-*	*-*	*-*
EU 23b	*Of which: standardised approach*	*426*	*434*	*34*
EU 23c	*Of which: advanced measurement approach*	*2,670*	*2,628*	*214*
24	**Amounts below the thresholds for deduction (subject to 250% risk weight) (for information)**	**2,403**	**2,290**	**192**
29	**Total**	**33,172**	**35,607**	**2,654**

Compared with year-end 2022, **risk-weighted assets (RWA)** decreased from €35.6 billion to €33.2 billion.
The €2 billion decrease in credit risk (including CCR) is due to the implementation of capital efficiency measures, rating improvements in the customer business and a smaller increase due to the new LGD model implemented in 1Q 2023, compared to the amount that was anticipated at the end of the year by means of an add-on. Market risk decreased by €0.4 billion.

Disclosure of capital requirements

EU CR8 – RWEA flow statements of credit risk exposures under the IRB approach (Art. 438 CRR)

As at 31 December 2023, credit risk exposures under the IRB approach recorded an increase of €2,028 million versus the previous year, driven primarily by the following items:

- "Asset quality" showed a decrease of €-543 million principally driven by improved asset quality through focus on good rating classes and model improvements
- "Model Updates" with an increase of €3,494 million, mainly due to implementation of local LGD model
- "Other" with a decrease of €-849 million mostly due to Capital Efficiency Program

EU CR8 - RWEA flow statements of credit risk exposures under the IRB approach

(€ million)

DESCRIPTION		YEAR 2023 RISK WEIGHTED EXPOSURE AMOUNT
		a
1	**RWEA as at the end of the previous reporting period**	**20,666**
2	Asset size (+/-)	(73)
3	Asset quality (+/-)	(543)
4	Model updates (+/-)	3,494
5	Methodology and policy (+/-)	-
6	Acquisitions and disposals (+/-)	-
7	Foreign exchange movements (+/-)	-
8	Other (+/-)	(849)
9	**RWEA as at the end of the current reporting period**	**22,694**

EU CR10 – IRB (Specialized lending and equities exposures) (Art. 438 CRR)

EU CR10 - Specialised lending and equity exposures under the simple risk-weighted approach (CR10.2)

(€ million)

SPECIALISED LENDING: INCOME-PRODUCING REAL ESTATE AND HIGH VOLATILITY COMMERCIAL REAL ESTATE (SLOTTING APPROACH)							
REGULATORY CATEGORIES	REMAINING MATURITY	ON-BALANCE SHEET EXPOSURE	OFF-BALANCE SHEET EXPOSURE	RISK WEIGHT	EXPOSURE POST CCF AND POST CRM	RISK WEIGHTED EXPOSURE AMOUNT	EXPECTED LOSS AMOUNT
		a	b	c	d	e	f
Category 1	Less than 2.5 years	314	-	50%	314	133	-
	Equal to or more than 2.5 years	97	0	70%	97	58	0
Category 2	Less than 2.5 years	197	0	70%	197	117	1
	Equal to or more than 2.5 years	188	0	90%	188	150	2
Category 3	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	-	-	115%	-	-	-
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Category 5	Less than 2.5 years	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total as at 31.12.2023	**Less than 2.5 years**	**511**	**0**		**511**	**250**	**1**
	Equal to or more than 2.5 years	**285**	**0**		**285**	**208**	**2**
Total as at 31.12.2022	**Less than 2.5 years**	**226**	**6**		**230**	**131**	**1**
	Equal to or more than 2.5 years	**616**	**0**		**616**	**403**	**3**

Disclosure of capital requirements

EU CR10 - Specialised lending and equity exposures under the simple risk-weighted approach (CR10.5)

(€ million)

	EQUITY EXPOSURES UNDER THE SIMPLE RISK-WEIGHTED APPROACH					
	ON-BALANCE SHEET EXPOSURE	OFF-BALANCE SHEET EXPOSURE	RISK WEIGHT	EXPOSURE POST CCF AND POST CRM	RISK WEIGHTED EXPOSURE AMOUNT	EXPECTED LOSS AMOUNT
CATEGORIES	a	b	c	d	e	f
Private equity exposures	-	-	190%	-	-	-
Exchange-traded equity exposures	-	-	290%	-	-	-
Other equity exposures	0	1	370%	1	3	0
Total as at 31.12.2023	**0**	**1**		**1**	**3**	**0**
Total as at 31.12.2022	**3**	**1**		**4**	**15**	**0**

The templates CR10.4 “Specialised lending: commodities finance (slotting approach)” and CR10.3 “Specialised lending: Object Finance (slotting approach) are not disclosed as Bank Austria Group does not have relevant exposures as at 31 December 2023.

Disclosure of capital buffers

Disclosure of capital buffers (Article 440 CRR)

EU CCyB1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer (Art. 440 CRR)

EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

(€ million)

	a	b	c	d	e	f	g	h	i	j	k	l	m
	31.12.2023												
	GENERAL CREDIT EXPOSURES		RELEVANT CREDIT EXPOSURES – MARKET RISK				OWN FUNDS REQUIREMENTS						
BREAKDOWN BY COUNTRY	EXPOSURE VALUE UNDER THE STANDARDISED APPROACH	EXPOSURE VALUE UNDER THE IRB APPROACH	SUM OF LONG AND SHORT POSITION OF TRADING BOOK FOR SA	VALUE OF TRADING BOOK EXPOSURE FOR INTERNAL MODELS	SECURITISATION EXPOSURES VALUE FOR NON-TRADING BOOK	TOTAL EXPOSURE VALUE	RELEVANT CREDIT RISK EXPOSURES - CREDIT RISK	RELEVANT CREDIT EXPOSURES – MARKET RISK	RELEVANT CREDIT EXPOSURES – SECURITISATION POSITIONS IN THE NON-TRADING BOOK	TOTAL	RISK-WEIGHTED EXPOSURE AMOUNTS	OWN FUNDS REQUIREMENT WEIGHTS (%)	COUNTER-CYCLICAL CAPITAL BUFFER RATE (%)
ALBANIA	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
ALGERIA	-	6	-	-	-	6	-	-	-	-	5	0.02%	0.00%
ANDORRA, PRINCIPALITY OF	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
ARGENTINA	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
ARMENIA	-	1	-	-	-	1	-	-	-	-	-	0.00%	0.00%
AUSTRALIA	2	-	-	-	-	3	-	-	-	-	2	0.01%	1.00%
AUSTRIA	4,419	56,095	-	-	9	60,523	1,777	-	-	1,777	22,216	83.89%	0.00%
AZERBAIJAN	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
BAHREIN	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
BANGLADESH	-	5	-	-	-	5	1	-	-	1	9	0.03%	0.00%
BELARUS	-	27	-	-	-	27	-	-	-	-	5	0.02%	0.00%
BELGIUM	9	24	-	-	-	33	1	-	-	1	15	0.06%	0.00%
BOSNIA AND HERCEGOVINA	1	-	-	-	-	1	-	-	-	-	1	0.00%	0.00%
BRAZIL	6	8	-	-	-	14	1	-	-	1	9	0.03%	0.00%
BRITISH VIRGIN ISLANDS	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
BULGARIA	2	13	-	-	-	16	1	-	-	1	7	0.03%	2.00%
BURKINA FASO	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
CANADA	4	45	-	-	-	49	2	-	-	2	20	0.07%	0.00%
CAYMAN ISLANDS	-	-	-	-	-	-	-	-	-	-	1	0.01%	0.00%
CHILE	1	-	-	-	-	1	-	-	-	-	-	0.00%	0.00%
CHINA	7	3	-	-	-	10	1	-	-	1	7	0.03%	0.00%
COLOMBIA	-	1	-	-	-	1	-	-	-	-	-	0.00%	0.00%
COSTA RICA	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
CROATIA	2	77	-	-	-	79	3	-	-	3	41	0.15%	1.00%
CUBA	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
CYPRUS	11	277	-	-	-	288	6	-	-	6	73	0.28%	0.50%
CZECH REPUBLIC	12	177	-	-	-	188	5	-	-	5	58	0.22%	2.00%
DENMARK	3	632	-	-	-	636	23	-	-	23	284	1.07%	2.50%
DOMINICA	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
ECUADOR	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
EGYPT	-	3	-	-	-	3	-	-	-	-	5	0.02%	0.00%
ESTONIA	1	20	-	-	-	21	-	-	-	-	5	0.02%	1.50%
ETHIOPIA	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
FIJI ISLANDS	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
FINLAND	15	361	-	-	-	377	11	-	-	11	144	0.54%	0.00%
FRANCE	29	457	-	-	-	486	6	-	-	6	74	0.28%	0.50%
GEORGIA	-	2	-	-	-	2	-	-	-	-	-	0.00%	0.00%
GERMANY	352	1,984	-	-	-	2,337	56	-	-	56	698	2.63%	0.75%

Disclosure of capital buffers

continued: Template EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical capital buffer

(€ million)

	a	b	c	d	e	f	g	h	i	j	k	l	m
	31.12.2023												
	GENERAL CREDIT EXPOSURES		RELEVANT CREDIT EXPOSURES – MARKET RISK				OWN FUNDS REQUIREMENTS						
BREAKDOWN BY COUNTRY	EXPOSURE VALUE UNDER THE STANDARDISED APPROACH	EXPOSURE VALUE UNDER THE IRB APPROACH	SUM OF LONG AND SHORT POSITION OF TRADING BOOK FOR SA	VALUE OF TRADING BOOK EXPOSURE FOR INTERNAL MODELS	SECURITISATION EXPOSURES VALUE FOR NON-TRADING BOOK	TOTAL EXPOSURE VALUE	RELEVANT CREDIT RISK EXPOSURES - CREDIT RISK	RELEVANT CREDIT EXPOSURES – MARKET RISK	RELEVANT CREDIT EXPOSURES – SECURITISATION POSITIONS IN THE NON-TRADING BOOK	TOTAL	RISK-WEIGHTED EXPOSURE AMOUNTS	OWN FUNDS REQUIREMENT WEIGHTS (%)	COUNTER-CYCLICAL CAPITAL BUFFER RATE (%)
GIBRALTAR	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
GREECE	6	8	-	-	-	14	-	-	-	-	6	0.02%	0.00%
GUATEMALA	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
HONDURAS	-	7	-	-	-	7	-	-	-	-	-	0.00%	0.00%
HONG KONG	-	9	-	-	-	10	-	-	-	-	4	0.02%	1.00%
HUNGARY	117	145	-	-	-	262	8	-	-	8	101	0.38%	0.00%
ICELAND	-	-	-	-	-	-	-	-	-	-	-	0.00%	2.00%
INDIA	11	1	-	-	-	12	1	-	-	1	11	0.04%	0.00%
INDONESIA	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
IRAN	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
IRAQ	-	-	-	-	-	-	-	-	-	-	1	0.00%	0.00%
IRELAND	3	245	-	-	-	248	7	-	-	7	87	0.33%	1.00%
ISLE OF MAN	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
ISRAEL	3	5	-	-	-	7	-	-	-	-	2	0.01%	0.00%
ITALY	36	531	-	-	-	567	12	-	-	12	149	0.56%	0.00%
JAPAN	3	-	-	-	-	3	-	-	-	-	1	0.00%	0.00%
JERSEY	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
JORDAN	-	4	-	-	-	4	-	-	-	-	4	0.01%	0.00%
KAZAKHSTAN	-	2	-	-	-	2	-	-	-	-	2	0.01%	0.00%
KENYA	1	-	-	-	-	1	-	-	-	-	1	0.00%	0.00%
KUWAIT	-	1	-	-	-	1	-	-	-	-	-	0.00%	0.00%
LATVIA	2	20	-	-	-	22	-	-	-	-	5	0.02%	0.00%
LEBANON	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
LIBYA	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
LIECHTENSTEIN, PRINCIPALITY OF	2	42	-	-	-	44	2	-	-	2	20	0.08%	0.00%
LITHUANIA	-	20	-	-	-	21	-	-	-	-	5	0.02%	1.00%
LUXEMBOURG	16	774	-	-	-	790	18	-	-	18	220	0.83%	0.50%
MACAO	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
MACEDONIA	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
MALAYSIA	3	-	-	-	-	3	-	-	-	-	1	0.00%	0.00%
MALDIVE ISLANDS	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
MALTA	25	2	-	-	-	26	2	-	-	2	25	0.09%	0.00%
MAURITIUS ISLAND	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
MEXICO	7	12	-	-	-	20	1	-	-	1	10	0.04%	0.00%
MONTENEGRO	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
MOROCCO	1	6	-	-	-	7	-	-	-	-	4	0.02%	0.00%
MOZAMBIQUE	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
NAMIBIA	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%

Disclosure of capital buffers

continued: Template EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical capital buffer

(€ million)

	a	b	c	d	e	f	g	h	i	j	k	l	m
	31.12.2023												
	GENERAL CREDIT EXPOSURES		RELEVANT CREDIT EXPOSURES – MARKET RISK				OWN FUNDS REQUIREMENTS						
BREAKDOWN BY COUNTRY	EXPOSURE VALUE UNDER THE STANDARDISED APPROACH	EXPOSURE VALUE UNDER THE IRB APPROACH	SUM OF LONG AND SHORT POSITION OF TRADING BOOK FOR SA	VALUE OF TRADING BOOK EXPOSURE FOR INTERNAL MODELS	SECURITISATION EXPOSURES VALUE FOR NON-TRADING BOOK	TOTAL EXPOSURE VALUE	RELEVANT CREDIT RISK EXPOSURES - CREDIT RISK	RELEVANT CREDIT EXPOSURES – MARKET RISK	RELEVANT CREDIT EXPOSURES – SECURITISATION POSITIONS IN THE NON-TRADING BOOK	TOTAL	RISK-WEIGHTED EXPOSURE AMOUNTS	OWN FUNDS REQUIREMENT WEIGHTS (%)	COUNTER-CYCLICAL CAPITAL BUFFER RATE (%)
NETHERLANDS	15	1,045	-	-	-	1,060	23	-	-	23	283	1.07%	1.00%
NEW ZEALAND	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
NICARAGUA	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
NIGERIA	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
NORTH KOREA	3	-	-	-	-	3	-	-	-	-	1	0.00%	0.00%
NORWAY	4	479	-	-	-	483	4	-	-	4	52	0.20%	2.50%
OMAN	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
PAKISTAN	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
PANAMA	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
PARAGUAY	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
PERU	1	-	-	-	-	1	-	-	-	-	1	0.00%	0.00%
PHILIPPINES	1	-	-	-	-	1	-	-	-	-	1	0.00%	0.00%
POLAND	14	205	-	-	-	218	6	-	-	6	80	0.30%	0.00%
PORTUGAL	8	404	-	-	-	411	9	-	-	9	110	0.42%	0.00%
QATAR	-	168	-	-	-	168	2	-	-	2	24	0.09%	0.00%
ROMANIA	4	73	-	-	-	76	2	-	-	2	21	0.08%	1.00%
RUSSIA	-	124	-	-	-	125	3	-	-	3	37	0.14%	0.00%
RWANDA	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
SALVADOR, EL	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
SAN MARINO	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
SAUDI ARABIA	2	8	-	-	-	10	-	-	-	-	4	0.02%	0.00%
SENEGAL	-	13	-	-	-	13	-	-	-	-	-	0.00%	0.00%
SERBIA	2	10	-	-	-	12	1	-	-	1	8	0.03%	0.00%
SEYCHELLES	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
SINGAPORE	5	-	-	-	-	5	-	-	-	-	3	0.01%	0.00%
SLOVAKIA	4	87	-	-	-	91	3	-	-	3	40	0.15%	1.50%
SLOVENIA	11	187	-	-	-	199	5	-	-	5	67	0.25%	0.50%
SOUTH AFRICAN REPUBLIC	-	3	-	-	-	4	-	-	-	-	-	0.00%	0.00%
SPAIN	22	2,560	-	-	-	2,582	55	-	-	55	685	2.59%	0.00%
ST. KITTS AND NEVIS	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
SUDAN	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
SWEDEN	10	1,053	-	-	-	1,063	15	-	-	15	184	0.70%	2.00%
SWITZERLAND	54	501	-	-	-	554	22	-	-	22	273	1.03%	0.00%
TAIWAN	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
THAILAND	1	1	-	-	-	2	-	-	-	-	1	0.00%	0.00%
TOGO	-	12	-	-	-	12	-	-	-	-	-	0.00%	0.00%
TUNISIA	-	4	-	-	-	4	-	-	-	-	1	0.00%	0.00%
TÜRKIYE	5	46	-	-	-	51	1	-	-	1	14	0.05%	0.00%

Disclosure of capital buffers

continued: Template EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical capital buffer

(€ million)

	a	b	c	d	e	f	g	h	i	j	k	l	m
	31.12.2023												
	GENERAL CREDIT EXPOSURES		RELEVANT CREDIT EXPOSURES – MARKET RISK				OWN FUNDS REQUIREMENTS						
BREAKDOWN BY COUNTRY	EXPOSURE VALUE UNDER THE STANDARDISED APPROACH	EXPOSURE VALUE UNDER THE IRB APPROACH	SUM OF LONG AND SHORT POSITION OF TRADING BOOK FOR SA	VALUE OF TRADING BOOK EXPOSURE FOR INTERNAL MODELS	SECURITISATION EXPOSURES VALUE FOR NON-TRADING BOOK	TOTAL EXPOSURE VALUE	RELEVANT CREDIT RISK EXPOSURES - CREDIT RISK	RELEVANT CREDIT EXPOSURES – MARKET RISK	RELEVANT CREDIT EXPOSURES – SECURITISATION POSITIONS IN THE NON-TRADING BOOK	TOTAL	RISK-WEIGHTED EXPOSURE AMOUNTS	OWN FUNDS REQUIREMENT WEIGHTS (%)	COUNTER-CYCLICAL CAPITAL BUFFER RATE (%)
U.S.A.	40	335	-	-	-	375	9	-	-	9	113	0.43%	0.00%
UKRAINE	-	1	-	-	-	1	-	-	-	-	2	0.01%	0.00%
UNITED ARAB EMIRATES	10	337	-	-	-	347	4	-	-	4	50	0.19%	0.00%
UNITED KINGDOM	67	211	-	-	-	277	6	-	-	6	76	0.29%	2.00%
URUGUAY	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
UZBEKISTAN	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
VENEZUELA	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
VIETNAM	-	2	-	-	-	3	-	-	-	-	3	0.01%	0.00%
OTHER STATES	-	5	-	-	-	5	1	-	-	1	7	0.03%	0.00%
TOTAL	**5,398**	**69,926**	**-**	**-**	**9**	**75,333**	**2,118**	**-**	**-**	**2,119**	**26,482**	**100.00%**	

EU CCyB2 - Amount of institution-specific countercyclical capital buffer (Art. 440 CRR)

EU CCyB2 - Amount of institution-specific countercyclical capital buffer

(€ million)

DESCRIPTION		a
1	**Total risk exposure amount**	**33,172**
2	Institution specific countercyclical capital buffer rate	0.10%
3	Institution specific countercyclical capital buffer requirement	34

Disclosure of credit risk adjustments

Disclosure of credit risk adjustments (Article 442 CRR)

Generally, loans are divided into "performing" loans and "non-performing" loans. In accordance with IFRS 9, performing loans are further subdivided into loans with valuation allowances based on 1-year expected loss (Stage 1) and loans with valuation allowances based on lifetime expected loss (Stage 2). Non-performing loans constitute Stage 3.

„Non-performing“ loans:

In accordance with UniCredit Group guidelines, **non-performing loans** are divided into the following categories:

- "**Bad loans" (loans in liquidation)**: credit exposures, considered uncollectible, to insolvent borrowers, even if insolvency has not been judicially ascertained. A realisation procedure is usually applied to borrowers in this class.
- **"Unlikely to pay"**: on-balance sheet and off-balance sheet exposures which do not meet the conditions to be classified as “bad loans”. The classification as “unlikely to pay” derives from the assessment of the debtor’s unlikeliness, without actions such as realisation of collateral, to fully repay his/her credit obligation (principal and/or interest) regardless of days in arrears. The classification within the “unlikely to pay” (UTP) category is not necessarily related to the explicit presence of a default (failure to repay) but rather is tied to the existence of evidence of a debtor’s risk of default.
- **“Past due"**: On-balance sheet risk volumes that do not meet the criteria for classification in the "Bad loans" or "Unlikely to pay" categories, but where amounts are overdue by more than 90 days or limits are exceeded by more than 90 days. Such amounts are determined at individual debtor level, under consideration of the detailed rules of the relevant EBA guideline (EBA/GL/2016/07).

In each case, impairment is assessed on an analytical basis or, for an exposure of less than €2 million, on the basis of statistical methods.
If the criterion for allocation to a non-performing category expires due to economic recovery of the client, the client is classified as performing after a period of good conduct of at least 90 days. For distressed restructuring (distressed restructuring in the sense of EBA/GL/2016/07), the period of good conduct is 12 months. Loan exposures with retail scoring are assigned the rating 7 after this period until a behavioural scoring is determined. All other loan exposures are automatically fixed at unrated until a new rating is issued.

Performing loans:

- **Overdue performing loans:** risk exposures to borrowers with amounts already due at the reference date or with unapproved limits being exceeded that are between 1 and 90 days overdue and which do not fulfill any criteria to be classified in the categories „Bad Loans“ or „Unlikely to pay“
- **Other exposures:** borrowers not included in the other categories.

Forborne exposure:

Forbearance measures are concessions made by a bank to a debtor facing or about to face difficulties in meeting its financial commitments. These may take the form of a modification of the terms and conditions of a contract that would not have been agreed if the debtor had not been in financial difficulties, or the form of total or partial refinancing. The primary objective of granting forbearance measures is that the borrower remains solvent and, if possible, to enable the borrower to regain performing status. Debtors that are classified as “forborne” are subject to special monitoring requirements and are to be clearly marked as such. If a forbearance measure is granted for a transaction classified as “performing”, this has the effect that this transaction is assigned to Stage 2 in any case.

Forbearance measures exist if, for example, a deferral or rescheduling agreement has been concluded, a new agreement on the conditions has been concluded at interest rates below the market level or the conversion of part of the loan into an equity investment or the reduction of the capital amount has taken place due to financial difficulties of the borrower. The probation periods to be observed with regard to forbearance status and non-performing classification are in line with the relevant EBA Guideline (EBA/GL/2018/06) or the EBA Technical Standards (ITS 2013/03 (rev1)) and are subject to backtesting / monitoring.

Before granting a forbearance measure, an assessment of the borrower’s debt service capability must be performed. In addition, it must also be checked whether this measure results in a loss, for example, due to capital or an interest waiver (impairment test), in which case the forbearance measure is registered as distressed restructuring, which always results in a non-performing classification. Any resulting risk provisioning is determined correspondingly.

Disclosure of credit risk adjustments

Description of methodology applied to determine write-downs
Bank Austria has implemented internal guidelines for the recording, administration and valuation of loans, which govern both value adjustments and write-offs or partial write-offs of loans.

The impairment model for showing expected credit losses (ECL) is to be applied to all debt instruments that are shown at either “amortised cost” or “at fair value through other comprehensive income, in equity”, and also to off-balance-sheet instruments such as guarantees and lending commitments.

Depending on the change in credit risk between the time of the initial recognition and the current credit risk on the valuation date, these instruments are categorised either in Stage 1, Stage 2 or Stage 3:
- Stage 1 includes (i) newly originated or purchased credit exposures, (ii) exposures whose credit risk has not deteriorated significantly since initial recognition, (iii) exposures with low credit risk (low credit risk exemption)
- Stage 2 includes instruments for which a significant increase in risk has been identified since the initial recognition, but in which there have been no failures yet, and are therefore classified as "performing", as well as instruments without a PD at the time of access.
- Stage 3 includes impaired credit exposures.

With regard to Stage 3, it should be noted that it includes impaired exposures, which correspond to the aggregated non-performing receivables according to ITS EBA (EBA/ITS/2013/03/rev1 7/24/2014).

In particular, the EBA has defined “non-performing” as exposures that meet one or both of the following criteria:
- substantial receivables more than 90 days overdue,
- receivables for which, in the Group’s assessment, it is unlikely that the debtor will meet its credit obligations in full without resorting to enforcement and realisation of collateral, regardless of the overdue receivables and the number of days the receivable is overdue.

Bank Austria applies the same definition of performing and non-performing as is used for regulatory purposes.

The amount of expected credit losses to be recognised depends on the Stage of allocation.

Impairment losses for Stage 1 and 2 (Performing Loans)
For Stage 1 instruments, a credit loss equal to the expected 12-month credit loss (“1-year ECL”) is recognised. For Stage 2 and 3 instruments, on the other hand, a credit loss amounting to the lifetime credit loss expected (“lifetime ECL”) is recognised. The credit risk parameters used are generally based on the regulatory IRB models, and are adapted in relation to IFRS 9-specific requirements (e.g. consideration of future-oriented macroeconomic information).

The stage transfer criteria (between Stage 1 and Stage 2) form a central component of the impairment regulations and determine when a significant increase in credit risk (“SICR”) has occurred since initial recognition. These include both relative and absolute criteria. The significant criteria for a transfer from Stage 1 to Stage 2 include:

- Quantitative transfer criteria: A transaction-based relative comparison between probability of default (PD) at the reporting date and that at initial recognition using internal models. The threshold values are defined using a complex statistical procedure that takes into account the probability of default, the age and residual term of the loan and the historical default behaviour of the segment in question. Each month, the probability of default as at the observation date is compared with the probability of default at the start of business. The comparison is based on the PD profile for the entire term of the transactions. The limit from which deterioration is considered significant is determined for each individual transaction, using a function which shows the highest PD at the time of the initial recognition. The higher the PD is at the start of business, the lower the relative tolerated deterioration is, which leads to a shift into Stage 2. The functions are determined for various sub-portfolios and are calibrated differently. This calibration is based on the long-term rate of default, including the forbearance portfolio share and items where payment is delayed by at least 30 days. The quantitative calibration of the stage transfer criteria is designed to ensure that a corresponding share of the sub-portfolio will be classified as Stage 2 for average economic situations. This share may increase or decrease, depending on the relevant economy. Transactions for which the probability of default has at least tripled (PD over the entire residual term) are classified as Stage 2 regardless of the function described above, as are transactions with a probability of default of 20% or more (IRB PD). Conversely, all transactions with a PD below 30 basis points (12-month PD) are classified as Stage 1.
- Qualitative criteria: All quantitative criteria are supplemented by a number of qualitative criteria, any one of which will lead to a Stage 2 classification: “30-day arrears”, “forbearance” and certain watch list cases.
- Level upgrade: If the PD of the transaction has improved sufficiently again by the next reporting date and no qualitative Stage 2 criteria apply, it is transferred back to Stage 1. However, a shift from Stage 2 to Stage 1 may only be made if the transaction would consistently have been assigned to Stage 1 on the previous three-monthly reporting dates.

Disclosure of credit risk adjustments

- Special portfolios in Stage 2: Foreign currency loans in the retail banking segment, taking into account the inherent risks since initial recognition in Stage 2. Since Q1 2022, transactions with risk- or domicile countries that include Russia, Ukraine or Belarus have been allocated to Stage 2 transactions.
- Portfolios in Stage 1: Internal transactions within the UniCredit Group are in Stage 1 unless individually assigned to Stage 2 at the transaction level.
- Special treatment of final transactions: For Stage-2 transactions, IFRS 9 PD is not accumulated over the remaining term as of the reporting date, but over the total term of the transaction. This special feature means that a significantly higher PD is used in the ECL calculation for Stage-2 transactions with final maturity than, for example, for loans that are continuously being paid out. At the same time, the use of this higher PD also causes some transactions to be assigned to Stage 2.

Impairment losses for Stage 3 (non-performing loans)
Stage 3 is assigned to the defaulted portfolio, the non-performing assets. Impairments are formed at customer level as follows, depending on the amount of the customer advances:

Specific provisioning
Customers with a total exposure of more than €2 million (based on group of connected customers, GCC) are transferred to restructuring management (NPE Operational Management & Monitoring) as soon as concrete indications of a possible default appear. In the event of these engagements, designated as “significant” due to the credit amount, the responsible restructuring manager calculates the impairment requirement on a case-by-case basis, for the first time when taking over the case and subsequently, on a quarterly basis. The calculation, based on best estimate, is made on the basis of weighted scenarios of expected future cash flows. The amount of impairment corresponds to the difference between the carrying amount of the loans and receivables and the present value of the expected cash flows (repayments and interest payments), discounted by the original effective interest rate.

For instruments with fixed interest, the underlying interest rate is constant over the term, while for instruments with variable interest, a recalculation is carried out depending on the contractual circumstances.

Portfolio-based specific provisioning method
UniCredit Bank Austria AG applies a parameter-based method for the calculation of a flat-rate individual value adjustment (“*Pauschale Einzelwertberichtigung” – PEWB*) for defaulted assets grouped by similar credit risk characteristics and with no significant exposure (total exposure lower than €2 million) at the GCC (group of connected customers) level. Upon the decision of the restructuring management, customers belonging to a GCC of over €2 million can be assigned to this method, as long as the individual customer obligation does not exceed €1 million. Depending on the customer segment, the amount of the exposure and collateral, the credit rating and the duration of the default are determined and recognised. The parameters used to calculate the loss rate are adjusted and back-tested annually. If necessary, the value adjustment can also be determined by means of a specific provisioning method.

Recovery periods are estimated on the basis of business and economic plans, as well as historical considerations and observations for similar business cases. Consideration is therefore given to the relevant customer segment, the type of loan agreement and the security in addition to other relevant factors that are appropriate for the determination.

For impaired instruments, forward-looking information is also taken into account based on the application of multiple scenarios, which, in the case of specific provisioning, make use of specific probabilities for each customer.

Disclosure of credit risk adjustments

EU CQ1 - Credit quality of forborne exposures (Art. 442 CRR)

EU CQ1 - Credit quality of forborne exposures

(€ million)

	DESCRIPTION	a	b	c	d	e	f	g	h
		GROSS CARRYING AMOUNT/NOMINAL AMOUNTOF EXPOSURES WITH FORBEARANCE MEASURES				ACCUMULATED IMPAIRMENT, ACCUMULATED NEGATIVE CHANGES IN FAIR VALUE DUE TO CREDIT RISK AND PROVISIONS		COLLATERALS RECEIVED AND FINANCIAL GUARANTEES RECEIVED ON FORBORNE EXPOSURES	
		PERFORMING FORBORNE	NON-PERFORMING FORBORNE	OF WHICH: DEFAULTED	OF WHICH: IMPAIRED	ON PERFORMING FORBORNE EXPOSURES	ON NON-PERFORMING FORBORNE EXPOSURES		OF WHICH: COLLATERAL AND FINANCIAL GUARANTEES RECEIVED ON NON-PERFORMING EXPOSURES WITH FORBEARANCE MEASURES
005	**Cash balances at central banks and other demand deposits**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
010	**Loans and advances**	**481**	**598**	**598**	**598**	**(21)**	**(295)**	**407**	**203**
020	Central banks	-	-	-	-	-	-	-	-
030	General governments	1	-	-	-	(0)	-	-	-
040	Credit institutions	-	-	-	-	-	-	-	-
050	Other financial corporations	3	4	4	4	(0)	(3)	2	0
060	Non-financial corporations	284	499	499	499	(11)	(260)	239	158
070	Households	192	96	96	96	(11)	(32)	166	45
080	**Debt Securities**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
090	**Loan commitments given**	**172**	**41**	**41**	**41**	**(1)**	**(2)**	**77**	**26**
100	**Total as at 31.12.2023**	**653**	**640**	**640**	**639**	**(23)**	**(298)**	**484**	**229**
	Total as at 31.12.2022	**788**	**733**	**732**	**732**	**(23)**	**(348)**	**701**	**218**

Further decrease of forborne volumes (performing €-135m vs. 31.12.2022, non-performing €-93m vs. 31.12.2022) after the strong decrease in 2022, following COVID-19-driven growth in 2021.

Disclosure of credit risk adjustments

EU CQ3: Credit quality of performing and non-performing exposures by past due days (Art. 442 CRR)

EU CQ3 - Credit quality of performing and non-performing exposures by past due days

(€ million)

		a	b	c	d	e	f
		GROSS CARRYING AMOUNT/NOMINAL AMOUNT					
		PERFORMING EXPOSURES			NON-PERFORMING EXPOSURES		
DESCRIPTION			NOT PAST DUE OR PAST DUE <= 30 DAYS	PAST DUE > 30 DAYS <= 90 DAYS		UNLIKELY TO PAY THAT ARE NOT PAST-DUE OR PAST DUE <= 90 DAYS	PAST DUE > 90 DAYS <= 180 DAYS
005	**Cash balances at central banks and other demand deposits**	**9,235**	**9,235**	**-**	**4**	**4**	**-**
010	**Loans and advances**	**66,011**	**65,916**	**95**	**2,306**	**1,351**	**155**
020	Central banks	-	-	-	-	-	-
030	General governments	6,667	6,641	26	229	0	-
040	Credit institutions	2,534	2,534	-	52	47	-
050	Other financial corporations	4,262	4,261	0	5	4	0
060	Non-financial corporations	33,281	33,250	31	1,396	1,054	113
070	*of which: SMEs*	*7,417*	*7,414*	*3*	*755*	*547*	*85*
080	Households	19,267	19,229	37	624	246	43
090	**Debt securities**	**18,888**	**18,888**	**-**	**-**	**-**	**-**
100	Central banks	-	-	-	-	-	-
110	General governments	13,277	13,277	-	-	-	-
120	Credit institutions	5,004	5,004	-	-	-	-
130	Other financial corporations	241	241	-	-	-	-
140	Non-financial corporations	366	366	-	-	-	-
150	**Off balance sheet exposures**	**43,219**			**464**		
160	Central banks	-			-		
170	General governments	4,950			0		
180	Credit institutions	458			0		
190	Other financial corporations	5,159			4		
200	Non-financial corporations	28,578			446		
210	Households	4,074			14		
220	**Total as at 31.12.2023**	**137,352**	**94,038**	**95**	**2,774**	**1,355**	**155**
	Total as at 31.12.2022	**138,480**	**97,689**	**54**	**2,571**	**1,246**	**218**

Disclosure of credit risk adjustments

continued: EU CQ3 - Credit quality of performing and non-performing exposures by past due days

(€ million)

		g	h	i	j	k	l
		GROSS CARRYING AMOUNT/NOMINAL AMOUNT					
		NON-PERFORMING EXPOSURES					
DESCRIPTION		PAST DUE > 180 DAYS <= 1 YEAR	PAST DUE > 1 YEAR <= 2 YEARS	PAST DUE > 2 YEAR <= 5 YEARS	PAST DUE > 5 YEAR <= 7 YEARS	PAST DUE > 7 YEARS	OF WHICH: DEFAULTED
005	**Cash balances at central banks and other demand deposits**	**-**	**-**	**-**	**-**	**-**	**4**
010	**Loans and advances**	**104**	**246**	**202**	**57**	**191**	**2,306**
020	Central banks	-	-	-	-	-	-
030	General governments	-	156	73	-	-	229
040	Credit institutions	5	-	-	-	-	52
050	Other financial corporations	0	0	0	1	0	5
060	Non-financial corporations	45	42	48	27	68	1,396
070	*of which: SMEs*	*28*	*31*	*41*	*19*	*4*	*755*
080	Households	53	49	81	29	123	624
090	**Debt securities**	**-**	**-**	**-**	**-**	**-**	**-**
100	Central banks	-	-	-	-	-	-
110	General governments	-	-	-	-	-	-
120	Credit institutions	-	-	-	-	-	-
130	Other financial corporations	-	-	-	-	-	-
140	Non-financial corporations	-	-	-	-	-	-
150	**Off balance sheet exposures**						**464**
160	Central banks						-
170	General governments						0
180	Credit institutions						0
190	Other financial corporations						4
200	Non-financial corporations						446
210	Households						14
220	**Total as at 31.12.2023**	**104**	**246**	**202**	**57**	**191**	**2,774**
	Total as at 31.12.2022	**169**	**157**	**156**	**34**	**251**	**2,571**

Total performing exposures decreased slightly (by €1.1 billion), in line with lower loan loan volumes to non-financial corporations and households. The increase in non-performing exposures by €203 million is mainly due to inflows from large commercial real estate companies.

The above template does not include the Held for Trading portfolio.

Disclosure of credit risk adjustments

EU CQ4: Quality of non-performing exposures by geography (Art. 442 CRR)

EU CQ4 - Quality of non-performing exposures by geography

(€ million)

		a	b	c	d	e	f	g
		GROSS CARRYING/NOMINAL AMOUNT						
			OF WHICH: NON-PERFORMING					
DESCRIPTION				OF WHICH: DEFAULTED	OF WHICH: SUBJECT TO IMPAIRMENT	ACCUMULATED IMPAIRMENT	PROVISIONS ON OFF-BALANCE SHEET COMMITMENTS AND FINANCIAL GUARANTEES GIVEN	ACCUMULATED NEGATIVE CHANGES IN FAIR VALUE DUE TO CREDIT RISK ON NON-PERFORMING EXPOSURES
010	**On-Balance-Sheet-Exposures**	**87,204**	**2,306**	**2,306**	**86,608**	**(1,534)**		**-**
020	AUSTRIA	58,046	1,804	1,804	57,539	(1,330)		-
030	SPAIN	4,682	0	0	4,682	(8)		-
040	GERMANY	3,313	54	54	3,311	(48)		-
050	ITALY	2,470	9	9	2,470	(3)		-
060	INTERNATIONAL ORGANISATIONS	2,160	-	-	2,072	-		-
070	OTHER STATES	16,534	438	438	16,533	(145)		-
080	**Off-Balance-Sheet-Exposures**	**43,683**	**464**	**464**			**160**	
090	AUSTRIA	33,814	394	394			125	
100	GERMANY	3,075	-	-			2	
110	SPAIN	721	-	-			-	
120	PORTUGAL	464	56	56			17	
130	SWEDEN	437	-	-			1	
140	OTHER STATES	5,173	13	13			14	
150	**Total as at 31.12.2023**	**130,887**	**2,770**	**2,770**	**86,608**	**(1,534)**	**160**	**-**
	Total as at 31.12.2022	**126,879**	**2,566**	**2,566**	**85,049**	**(1,522)**	**177**	**-**

Note: The published figures for the previous year have been adjusted.

Total exposure as well as accumulated impairments reflect Bank Austria's business focus on the Austrian market. The non-performing exposures are equal to defaulted.

The above template does not include:
- the Held for Trading portfolio;
- the item "Cash balances at central banks and other demand deposits".

Disclosure of credit risk adjustments

EU CQ5: Credit quality of loans and advances by industry (Art. 442 CRR)

EU CQ5 - Credit quality of loans and advances by industry

(€ million)

		a	b	c	d	e	f
		GROSS CARRYING AMOUNT					
			OF WHICH: NON-PERFORMING				
DESCRIPTION				OF WHICH: DEFAULTED	OF WHICH: LOANS AND ADVANCES SUBJECT TO IMPAIRMENT	ACCUMULATED IMPAIRMENT	ACCUMULATED NEGATIVE CHANGES IN FAIR VALUE DUE TO CREDIT RISK ON NON-PERFORMING EXPOSURES
010	Agriculture, forestry and fishing	90	25	25	90	(4)	-
020	Mining and quarrying	83	0	0	83	(1)	-
030	Manufacturing	7,133	232	232	7,133	(193)	-
040	Electricity, gas, steam and air conditioning supply	1,285	44	44	1,285	(10)	-
050	Water supply	343	6	6	343	(3)	-
060	Construction	3,521	93	93	3,317	(72)	-
070	Wholesale and retail trade	3,880	242	242	3,880	(137)	-
080	Transport and storage	1,124	52	52	1,123	(33)	-
090	Accommodation and food service activities	463	80	80	463	(41)	-
100	Information and communication	377	48	48	377	(38)	-
110	Real estate activities	7,640	246	246	7,610	(81)	-
120	Financial and insurance actvities	1,931	176	176	1,931	(82)	-
130	Professional, scientific and technical activities	4,887	66	66	4,887	(74)	-
140	Administrative and support service activities	605	28	28	605	(15)	-
150	Public administration and defense, compulsory social security	175	-	-	175	(0)	-
160	Education	15	0	0	15	(0)	-
170	Human health services and social work activities	253	6	6	252	(1)	-
180	Arts, entertainment and recreation	469	49	49	469	(43)	-
190	Other services	403	1	1	403	(2)	-
200	**Total as at 31.12.2023**	**34,677**	**1,396**	**1,396**	**34,441**	**(829)**	**-**
	Total as at 31.12.2022	**35,576**	**1,301**	**1,301**	**35,256**	**(822)**	**-**

In coherence with the UniCredit group approach, the non-performing exposures are equal to defaulted.
The above template does not include the Held for Trading portfolio.

Disclosure of credit risk adjustments

EU CQ7 - Collateral obtained by taking possession and execution processes (Art. 442 CRR)

EU CQ7 - Collateral obtained by taking possession and execution processes

(€ million)

		a	b
		COLLATERAL OBTAINED BY TAKING POSSESSION	
DESCRIPTION		VALUE AT INITIAL RECOGNITION	ACCUMULATED NEGATIVE CHANGES
010	**Property Plant and Equipment (PP&E)**	**-**	**-**
020	**Other than PP&E**	**72**	**(45)**
030	Residential immovable property	-	-
040	Commercial immovable property	72	(45)
050	Movable property	-	-
060	Equity and debt instruments	-	-
070	Other collateral	-	-
080	**Total as at 31.12.2023**	**72**	**(45)**
	Total as at 31.12.2022	**-**	**-**

Disclosure of credit risk adjustments

EU CR1 - Performing and non-performing exposures and related provisions (Art. 442 CRR)

EU CR1 - Performing and non-performing exposures and related provisions

(€ million)

		a	b	c	d	e	f
		GROSS CARRYING AMOUNT/NOMINAL AMOUNT					
		PERFORMING EXPOSURES			NON-PERFORMING EXPOSURES		
DESCRIPTION			OF WHICH: STAGE 1	OF WHICH: STAGE 2		OF WHICH: STAGE 2	OF WHICH: STAGE 3
005	**Cash balances at central banks and other demand deposits**	**9,235**	**9,231**	**4**	**4**		**4**
010	**Loans and advances**	**66,011**	**50,074**	**15,503**	**2,306**		**2,295**
020	Central banks	-	-	-	-		-
030	General governments	6,667	6,282	385	229		229
040	Credit institutions	2,534	2,527	7	52		52
050	Other financial corporations	4,262	3,685	571	5		5
060	Non-financial corporations	33,281	25,896	7,149	1,396		1,389
070	*of which: SMEs*	*7,417*	*5,811*	*1,510*	*755*		*752*
080	Households	19,267	11,684	7,389	624		620
090	**Debt securities**	**18,888**	**18,726**	**-**	**-**		**-**
100	Central banks	-	-	-	-		-
110	General governments	13,277	13,138	-	-		-
120	Credit institutions	5,004	4,994	-	-		-
130	Other financial corporations	241	228	-	-		-
140	Non-financial corporations	366	366	-	-		-
150	**Off-balance sheet exposures**	**43,219**	**35,276**	**7,943**	**464**		**464**
160	Central banks	-	-	-	-		-
170	General governments	4,950	4,923	27	0		0
180	Credit institutions	458	409	49	0		0
190	Other financial corporations	5,159	4,379	781	4		4
200	Non-financial corporations	28,578	22,756	5,822	446		446
210	Households	4,074	2,811	1,263	14		14
220	**Total as at 31.12.2023**	**137,352**	**113,307**	**23,450**	**2,774**		**2,763**
	Total as at 31.12.2022	**138,479**	**114,447**	**23,278**	**2,571**		**2,560**

Disclosure of credit risk adjustments

continued: EU CR1 - Performing and non-performing exposures and related provisions

(€ million)

		g	h	i	j	k	l	m	n	o
		ACCUMULATED IMPAIRMENT, ACCUMULATED IMPAIRMENT NEGATIVE CHANGES IN FAIR VALUE DUE TO CREDIT RISK AND PROVISIONS							COLLATERALS AND FINANCIAL GUARANTEES RECEIVED	
		PERFORMING EXPOSURES - ACCUMULATED IMPAIRMENT AND PROVISIONS			NON-PERFORMING EXPOSURES - ACCUMULATED IMPAIRMENT, ACCUMULATED NEGATIVE CHANGES IN FAIR VALUE DUE TO CREDIT RISK AND PROVISIONS					
DESCRIPTION			OF WHICH: STAGE 1	OF WHICH: STAGE 2		OF WHICH: STAGE 2	OF WHICH: STAGE 3	ACCUMULATED PARTIAL WRITE-OFF	ON PERFORMING EXPOSURES	ON NON-PERFORMING EXPOSURES
005	**Cash balances at central banks and other demand deposits**	**(0)**	**(0)**	**(0)**	**(4)**		**(4)**		**-**	**-**
010	**Loans and advances**	**(665)**	**(104)**	**(561)**	**(868)**		**(866)**	**(74)**	**35,117**	**1,141**
020	Central banks	-	-	-	-		-	-	-	-
030	General governments	(2)	(1)	(1)	(13)		(13)	-	1,944	214
040	Credit institutions	(0)	(0)	(0)	(3)		(3)	-	744	46
050	Other financial corporations	(17)	(5)	(12)	(3)		(3)	(2)	2,061	1
060	Non-financial corporations	(254)	(44)	(210)	(575)		(573)	(70)	15,758	632
070	*of which: SMEs*	*(55)*	*(9)*	*(47)*	*(295)*		*(294)*	*(3)*	*6,077*	*390*
080	Households	(393)	(55)	(338)	(272)		(272)	(3)	14,610	249
090	**Debt securities**	**(1)**	**(1)**	**-**	**-**		**-**	**-**	**-**	**-**
100	Central banks	-	-	-	-		-	-	-	-
110	General governments	(0)	(0)	-	-		-	-	-	-
120	Credit institutions	(0)	(0)	-	-		-	-	-	-
130	Other financial corporations	(0)	(0)	-	-		-	-		-
140	Non-financial corporations	(0)	(0)	-	-		-	-	-	-
150	**Off-balance sheet exposures**	**(60)**	**(19)**	**(41)**	**(99)**		**(99)**	**-**	**4,862**	**168**
160	Central banks	-	-	-	-		-		-	-
170	General governments	(0)	(0)	(0)	(0)		(0)		276	0
180	Credit institutions	(0)	(0)	(0)	-		-		185	-
190	Other financial corporations	(1)	(1)	(1)	(3)		(3)		772	-
200	Non-financial corporations	(43)	(14)	(30)	(96)		(96)		3,090	162
210	Households	(15)	(5)	(11)	(0)		(0)		540	6
220	**Total as at 31.12.2023**	**(726)**	**(124)**	**(602)**	**(971)**		**(969)**		**39,979**	**1,310**
	Total as at 31.12.2022	**(626)**	**(132)**	**(490)**	**(1,075)**		**(1,073)**		**37,272**	**1,007**

Note: The published figures for the previous year have been adjusted.

Total performing exposures decreased slightly (by €1.1 billion), in line with lower loan loan volumes to non-financial corporations and households. The increase in non-performing exposures by €203 million is mainly due to inflows from large commercial real estate companies.

Disclosure of credit risk adjustments

EU CR1-A – Maturity of exposures (Art. 442 CRR)

EU CR1-A - Maturity of exposures

(€ million)

		a	b	c	d	e	f
		NET EXPOSURE VALUE					
DESCRIPTION		ON DEMAND	<= 1 YEAR	> 1 YEAR <= 5 YEARS	> 5 YEARS	NO STATED MATURITY	TOTAL
1	Loans and advances	6,183	9,040	16,847	34,714	-	66,784
2	Debt securities	-	1,359	14,839	2,689	-	18,887
3	**Total as at 31.12.2023**	**6,183**	**10,399**	**31,687**	**37,402**	**-**	**85,671**
	Total as at 31.12.2022	**5,705**	**12,579**	**29,260**	**36,572**	**165**	**84,282**

Y/y, total exposures slightly increased, in particular positions < 1 year lower while positions at longer term slightly increased.

EU CR2 – Changes in the stock of non-performing loans and advances (Art. 442 CRR)

EU CR2: Changes in the stock of non-performing loans and advances

(€ million)

		a
DESCRIPTION		GROSS CARRYING AMOUNT
010	**Initial stock of non-performing loans and advances as at 31.12.2022**	**2,228**
020	Inflows to non-performing portfolios	923
030	Outflows from non-performing portfolios	(845)
040	Outflows due to write-offs	(91)
050	Outflow due to other situations	(754)
060	**Final stock of non-performing loans and advances as at 31.12.2023**	**2,306**

Total stock of non-performing loans and advances increased in 2023 driven by higher inflows, mainly caused by few single defaults on commercial real estate side with limited loss potential due to collateral coverage.
Nevertheless, the annual net increase remained moderate due to robust recovery performance (strong repayments as well as back to performing).

Disclosure of leverage

Disclosure of leverage (Article 451 CRR)

The Basel 3 prudential regulation (BCBS/Basel Committee on Banking Supervision) introduced the requirement of calculation, reporting, and publication of leverage ratio that is an additional regulatory requirement to risk-based indicators.

The main leverage ratio objectives are:
- restricting the build-up of leverage in the banking sector;
- enhancing the capital ratios with a further, simple and not risk based measure.

The ratio is calculated according to the rules of the Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 ("CRR2"), amending the CRR Regulation, in force from the 28 June 2021, two years after the date of publication in the Official Journal of the European Union.

CRR article 429 defined the leverage ratio as the Bank's capital measure divided by the total exposure and it is expressed ad percentage between:
- Tier 1 Capital;
- the total exposure, calculated as sum of all assets and off-balance sheet items not deducted when determining the Tier 1 capital measure.

The total exposure includes (the below mentioned articles refer to CRR):
- Derivatives - calculated according to the Standardised Approach for Counterparty Credit Risk as per Section 3 of Chapter 6 of Title II of the Part 3, or, as an alternative, the Original Exposure Method as per article 295 of the CRR. Written Credit Derivatives are calculated by including the Fully Effective Notional amount, reduced by the fair value changes that have been incorporated in Tier 1 Capital. If specific conditions are met the resulting exposure value may be further reduced by the effective notional amount of purchased credit derivatives.
- Security Financing Transactions (SFT[1]) - calculated as sum of two components: the counterparty credit risk exposure, i.e. the exposure net of collateral (and not including the haircut), and the accounting value of the SFT asset; if specific conditions set by CRR2 are met, it is possible to determine the exposure value of cash receivable and cash payables on a net basis.
- Off-balance Sheet Exposure - calculated, according to article 111 as nominal amount not reduced by specific credit risk adjustments and by applying the Standardised Approach for RWEA calculation credit conversion factors.
- Other Assets - calculated according to article 111, as accounting value reduced by specific credit risk adjustments, additional value adjustments and other own funds reductions related to the asset item; if specific conditions set by CRR2 are met, cash variation margins provided for derivatives transactions can be excluded from the exposure.
- Exempted Exposures according to article 429a where applicable.

The following table shows the reconciliation between the total Leverage Ratio Exposure (denominator) and the Accounting balance sheet values, according to the CRR2 article 451(1)(b).

[1] Security Financing Transactions are repurchased transactions, securities or commodities lending or borrowing transactions and margin lending transactions.

Disclosure of leverage

EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures (Art. 451 CRR)

EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

(€ million)

DESCRIPTION		a 31.12.2023	b 31.12.2022
1	Total assets as per published financial statements	102,745	107,332
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	35	28
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-	-
4	(Adjustment for temporary exemption of exposures to central bank (if applicable))	-	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with point (i) of point (i) of article 429a(1) CRR)	-	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-	-
7	Adjustment for eligible cash pooling transactions	-	-
8	Adjustments for derivative financial instruments	(2,587)	(4,413)
9	Adjustment for securities financing transactions (SFTs)	27	447
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	10,575	10,610
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-	-
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of article 429a(1) CRR)	-	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of article 429a(1) CRR)	-	-
12	Other adjustments	(1,129)	(1,581)
13	**Total exposure measure**	**109,667**	**112,424**

Disclosure of leverage

EU LR2 - LRCom: Leverage ratio common disclosure (Art. 451 CRR)

The following table shows the Leverage Ratio as of 31 December 2023 (vs. the previous year) and the breakdown of the exposure by main categories, according to CRR2 articles 451(1)(a), 451(1)(b) and 451(1)(c).

EU LR2 - LRCom: Leverage ratio common disclosure

(€ million)

DESCRIPTION		CRR LEVERAGE RATIO EXPOSURES a 31.12.2023	b 31.12.2022
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	99,855	102,788
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(28)	(564)
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	(2,210)	(1,898)
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**97,617**	**100,325**
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	431	403
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	0	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	1,357	1,643
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	0	0
EU-9b	Exposure determined under Original Exposure Method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (original Exposure Method)	-	-
11	Adjusted effective notional amount of written credit derivatives	60	60
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	**Total derivatives exposures**	**1,848**	**2,106**
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	577	-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	27	447
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with articles 429e(5) and 222 CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	**Total securities financing transaction exposures**	**604**	**447**
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	43,550	41,075
20	(Adjustments for conversion to credit equivalent amounts)	(32,975)	(30,465)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	-
22	**Off-balance sheet exposures**	**10,575**	**10,610**
Excluded exposures			
EU-22a	(Exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of article 429a(1) CRR)	-	-
EU-22b	(Exposures exempted in accordance with point (j) of article 429a (1) CRR (on and off-balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	-	-
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	-	-
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	(978)	(1,065)
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of article 429a(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of article 429a(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	**(Total exempted exposures)**	**(978)**	**(1,065)**

Disclosure of leverage

continued: EU LR2 - LRCom: Leverage ratio common disclosure

(€ million)

		CRR LEVERAGE RATIO EXPOSURES	
		a	b
DESCRIPTION		31.12.2023	31.12.2022
Capital and total exposure measure			
23	**Tier 1 capital**	**7,010**	**6,791**
24	**Total exposure measure**	**109,667**	**112,424**
Leverage ratio			
25	Leverage ratio	6.39%	6.04%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	6.39%	6.04%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	6.39%	6.04%
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-
EU-26b	of which: to be made up of CET1 capital (percentage points)	-	-
27	Leverage ratio buffer requirement (%)	-	-
EU-27a	Overall leverage ratio requirement (%)	3.00%	3.00%
Choice on transitional arrangements and relevant exposures			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	0	0
Disclosure of mean values			
28	Mean value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	1,131	72
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	577	-
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	110,220	112,496
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	110,220	112,496
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6.4%	6.0%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6.4%	6.0%

The published figures for positions 31 and 31a for the previous year have been adjusted.

Disclosure of leverage

EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) (Art. 451 CRR)

The following table shows, for exposures other than derivatives and SFTs, the breakdown by exposure class, according to CRR2 article 451(1)(b).

EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

(€ million)

		CRR LEVERAGE RATIO EXPOSURES	
DESCRIPTION		31.12.2023	31.12.2022
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**98,877**	**101,723**
EU-2	Trading book exposures	-	-
EU-3	Banking book exposures, of which:	98,877	101,723
EU-4	Covered bonds	4,177	3,403
EU-5	Exposures treated as sovereigns	26,949	29,363
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	2,517	2,496
EU-7	Institutions	2,513	2,591
EU-8	Secured by mortgages of immovable properties	23,398	22,249
EU-9	Retail exposures	6,242	7,790
EU-10	Corporate	26,267	27,642
EU-11	Exposures in default	1,439	1,267
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	5,376	4,922

Disclosure of leverage

EU LRA – Disclosure on qualitative items

Table EU LRQua - Disclosure on qualitative items

a	Description of the processes used to manage the risk of excessive leverage:
	The Leverage Ratio is calculated as Tier 1 capital over total leverage exposure (composed by all on-Balance Sheet Assets, Derivative Exposures, Securities Financing Transactions exposures, other off-Balance Sheet exposure). In order to ensure an adequate level of the leverage ratio, a strict monitoring process is in place, especially after the expiration of the Waiver for Central Bank Exposure as of April 1st 2022. The monitoring process is meant to address potential excess liquidity which at its turn is reflected on Asset side, generating on-Balance Sheet Exposure. Besides Business Actions, also the TLTRO repayments contributed to the decrease of the Balance Sheet especially in 2Q23. For Off-BS part, optimization actions were put in place in the past especially in order to optimize the undrawn part. Moreover, the Leverage risk is included in the Group Risk Appetite Framework, therefore the relevant procedures and resources are applied to this kind of risk. The quantitative tools to assess the Leverage risk are part of the Group Risk Appetite framework that include the Leverage Ratio metric. This KPI has its own Target, Trigger and a Limit defined consistently with Group business strategies and considering regulatory requirements, peers' comparison, and stress test results. The results of the periodical monitoring this KPI are submitted, on a quarterly basis, to the Executive Committee, Internal Control & Risk Committee and to the Board of Directors. The Group Risk Appetite process identifies the governance mechanism, managerial involvement, and escalation process under normal and stressed operating conditions. The defined escalation process is activated at relevant organizational levels to ensure an adequate reaction when triggers or limits are breached. Also, for the capital metrics, including the Leverage Ratio, the Group has defined a specific internal policy (Capital Contingency Policy) that set the processes for reacting to contingency situation which require a timely reaction in term of increase of capital or reduction of exposures. The quantitative tools to assess the Leverage risk are part of the Group Risk Appetite framework that include the Leverage Ratio metric. This KPI has its own Target, Trigger and a Limit defined consistently with Group business strategies and considering regulatory requirements, peers' comparison, and stress test results. The results of the periodical monitoring this KPI are submitted, on a quarterly basis, to the Executive Committee, Internal Control & Risk Committee and to the Board of Directors. The Group Risk Appetite process identifies the governance mechanism, managerial involvement, and escalation process under normal and stressed operating conditions. The defined escalation process is activated at relevant organizational levels to ensure an adequate reaction when triggers or limits are breached. Moreover, for the capital metrics, including the Leverage Ratio, the Group has defined a specific internal policy (Capital Contingency Policy) that set the processes for reacting to contingency situation which require a timely reaction in term of increase of capital or reduction of exposures.
b	Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers:
	Changes of Leverage Ratio between December 2022 and December 2023 were mainly driven by: - Decrease of Leverage Exposure by €2.8bn caused by partial repayment of TLTRO - Increase of Tier 1 Capital by €219m. Overall Leverage Ratio increased from 6.0% to 6.4%.

Disclosure of liquidity requirements

Disclosure of liquidity requirements (Art. 451a CRR)

Liquidity Coverage Ratio

The Liquidity Coverage Ratio (LCR), introduced by Basel 3 prudential regulation, is a short time indicator which aims to ensure that credit institutions maintain an adequate liquidity buffer to cover the net liquidity outflows under severe conditions of stress over a period of 30 days.

The regulatory framework applied is represented by:

- with reference to the requirements to be met:
  - CRR Article 412 “Liquidity coverage requirement”;
  - Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 that lays down rules that specify in detail the liquidity coverage requirement provided for in CRR article 412(1). In particular, the requirement that all institutions authorized has to meet is equal to 100%;
  - Commission Delegated Regulation (EU) 2018/1620 of 13 July 2018 amending Delegated Regulation (EU) 2015/61 to supplement Regulation (EU) 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for credit institutions;
  - Commission Implementing Regulation (EU) 2021/451 of 17 December 2020 laying down implementing technical standards for the application of Regulation (EU) 575/2013 of the European Parliament and of the Council with regard to supervisory reporting of institutions and repealing Implementing Regulation (EU) 680/2014 (Text with EEA relevance
- with reference to the disclosure information to be published:
  - CRR Article 435 which defines the disclosure requirements for each separate category of risk, including the key ratios (letter f);
  - Commission Implementing Regulation (EU) 2021/637 of 15 March 2021, laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) 575/2013 of the European Parliament and of the Council and repealing Commission Implementing Regulation (EU) 1423/2013, Commission Delegated Regulation (EU) 2015/1555, Commission Implementing Regulation (EU) 2016/200 and Commission Delegated Regulation (EU) 2017/2295.

Therefore, disclosure is made according to the regulatory framework mentioned above.

Disclosure of liquidity requirements

EU LIQ1 - LCR disclosure template which complements Article 435(1)(f) CRR

EU LIQ1 - Quantitative information of LCR

(€ million)

		a	b	c	d	e	f	g	h
SCOPE OF CONSOLIDATION: SOLO CURRENCY AND UNITS (EURO MILLION)		TOTAL UNWEIGHTED VALUE (AVERAGE)				TOTAL WEIGHTED VALUE (AVERAGE)			
EU 1a	QUARTER ENDING ON	31.12.2023	30.09.2023	30.06.2023	31.03.2023	31.12.2023	30.09.2023	30.06.2023	31.03.2023
EU 1b	NUMBER OF DATA POINTS USED IN THE CALCULATION OF AVERAGES	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	**Total high-quality liquid assets (HQLA)**					**24,305**	**24,512**	**24,413**	**24,394**
CASH-OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	30,413	30,705	30,986	31,131	2,224	2,259	2,297	2,324
3	*Stable deposits*	*20,953*	*20,965*	*20,932*	*20,801*	*1,048*	*1,048*	*1,047*	*1,040*
4	*Less stable deposits*	*9,460*	*9,740*	*10,054*	*10,330*	*1,176*	*1,211*	*1,250*	*1,284*
5	Unsecured wholesale funding	26,656	27,351	27,838	28,864	12,453	12,442	12,455	12,751
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	*10,398*	*11,171*	*11,684*	*12,427*	*2,518*	*2,711*	*2,839*	*3,025*
7	*Non-operational deposits (all counterparties)*	*16,189*	*16,115*	*16,088*	*16,373*	*9,865*	*9,665*	*9,550*	*9,661*
8	*Unsecured debt*	*69*	*65*	*67*	*64*	*69*	*65*	*67*	*64*
9	Secured wholesale funding					302	210	121	59
10	Additional requirements	13,382	13,449	13,503	13,103	3,235	3,389	3,593	3,394
11	*Outflows related to derivative exposures and other collateral requirements*	*1,718*	*1,795*	*1,895*	*1,663*	*1,627*	*1,714*	*1,828*	*1,628*
12	*Outflows related to loss of funding on debt products*	*8*	*10*	*53*	*53*	*8*	*10*	*53*	*53*
13	*Credit and liquidity facilities*	*11,656*	*11,644*	*11,555*	*11,388*	*1,600*	*1,665*	*1,712*	*1,714*
14	Other contractual funding obligations	158	174	167	152	158	174	167	152
15	Other contingent funding obligations	26,774	26,714	26,814	26,753	1,074	1,175	1,279	1,350
16	**TOTAL CASH OUTFLOWS**					**19,446**	**19,648**	**19,912**	**20,030**
CASH-INFLOWS									
17	Secured lending (e.g. reverse repos)	621	480	374	320	35	21	6	6
18	Inflows from fully performing exposures	3,330	3,907	4,555	5,156	2,722	3,258	3,750	4,208
19	Other cash inflows	1,076	1,266	1,524	1,334	999	1,209	1,482	1,312
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					-	-	-	-
EU-19b	(Excess inflows from a related specialised credit institution)					-	-	-	-
20	**TOTAL CASH INFLOWS**	**5,026**	**5,653**	**6,453**	**6,810**	**3,755**	**4,488**	**5,237**	**5,525**
EU-20a	***Fully exempt inflows***	-	-	-	-	-	-	-	-
EU-20b	***Inflows Subject to 90% Cap***	-	-	-	-	-	-	-	-
EU-20c	***Inflows Subject to 75% Cap***	***5,026***	***5,653***	***6,453***	***6,810***	***3,755***	***4,488***	***5,237***	***5,525***
TOTAL ADJUSTED VALUE									
EU-21	**LIQUIDITY BUFFER**					**24,305**	**24,512**	**24,413**	**24,394**
22	**TOTAL NET CASH OUTFLOWS**					**15,690**	**15,160**	**14,674**	**14,504**
23	**LIQUIDITY COVERAGE RATIO (%)**					**155%**	**163%**	**167%**	**169%**

Disclosure of liquidity requirements

Qualitative information which complements the “EU LIQ1 - LCR disclosure template”

Funding Concentration Risk can arise when the bank leverages on such a limited number of funding sources, that they become of such significance that the withdrawal of one or few could trigger liquidity problems.

In UniCredit Bank Austria AG, the governance and control of funding concentration risk is mainly performed through the setting and monitoring of metrics – managerial and regulatory - aimed at preventing potential vulnerabilities in the bank's ability to meet its liquidity obligations; such as the concentration by products and counterparties.

Regarding potential collateral calls, monthly reporting is conducted to measure the impact in terms of additionally required collateral that the bank may be required to provide given a downgrade of its own credit rating, relevant rating agencies are considered.

As far as the currency mismatch is concerned, a regular monitoring of the relevant currencies and related liquid assets and net cash outflows is performed. So far, only EUR and USD resulted to be relevant at bank level. Assessment performed on potential currency mismatches between liquid assets and net outflows shows that the liquidity surplus in EUR is sufficient to cover the gap in USD. A buffer of HQLA (high-quality liquid assets) in USD was built up, aiming to partially cover the net cash flows and has been maintained to face the potential risk related with the conversion of the currency.

At the end of December 2023, **liquidity buffer** components mainly consist of reserves held at Central Bank (cash and deposits, in the amount of €8.2 billion). The other eligible component is mostly made up of central government assets and public financial institutions in total amounting to a total of about €15.5 billion.

The main component of the net liquidity outflows is related with retail and corporate deposits and the potential cash outflows related with the committed and uncommitted credit lines.

Disclosure of liquidity requirements

EU LIQ2 - Net Stable Funding Ratio (NSFR)

EU LIQ2 - Net Stable Funding Ratio

(€ million)

		a	b	c	d	e
		UNWEIGHTED VALUE BY RESIDUAL MATURITY				
DESCRIPTION		NO MATURITY	< 6 MONTHS	6 MONTHS TO < 1YR	≥ 1YR	WEIGHTED VALUE
Available stable funding (ASF) Items						
1	Capital items and instruments	6,961	-	-	1,661	8,623
2	*Own funds*	*6,961*	*-*	*-*	*724*	*7,685*
3	*Other capital instruments*		*-*	*-*	*937*	*937*
4	Retail deposits		30,508	18	390	28,916
5	*Stable deposits*		*21,046*	*-*	*0*	*19,993*
6	*Less stable deposits*		*9,462*	*18*	*390*	*8,922*
7	Wholesale funding:		36,271	1,289	14,875	27,643
8	*Operational deposits*		*9,714*	*-*	*-*	*448*
9	*Other wholesale funding*		*26,558*	*1,289*	*14,875*	*27,194*
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	1,051	(1,208)	-	3,822	3,822
12	*NSFR derivative liabilities*	*1,051*				
13	*All other liabilities and capital instruments not included in the above categories*		*(1,208)*	*-*	*3,822*	*3,822*
14	**Total available stable funding (ASF)**					**69,003**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					990
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	14,804	12,583
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		12,441	3,519	34,684	34,546
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		*14*	*-*	*-*	*-*
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		*3,494*	*487*	*1,620*	*2,189*
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		*7,176*	*2,599*	*24,027*	*31,648*
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		*962*	*251*	*3,830*	*6,331*
22	*Performing residential mortgages, of which:*		*426*	*409*	*8,399*	*-*
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		*273*	*289*	*4,242*	*-*
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		*1,330*	*25*	*639*	*709*
25	Interdependent assets		-	-	-	-
26	Other assets:	-	(149)	776	5,183	4,277
27	*Physical traded commodities*				*-*	*-*
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*			*72*		*62*
29	*NSFR derivative assets*			*-*		*-*
30	*NSFR derivative liabilities before deduction of variation margin posted*			*675*		*34*
31	*All other assets not included in the above categories*		*(896)*	*29*	*4,436*	*4,181*
32	Off-balance sheet items		11,647	2,282	25,416	2,602
33	**Total RSF**					**54,998**
34	**Net Stable Funding Ratio (%)**					**125%**

Disclosure of credit risk mitigation techniques

Disclosure of credit risk mitigation techniques (Art. 453 CRR)

Bank Austria has been authorized by Austrian Financial Market Authority (FMA) and the Austrian National Bank (OeNB) to use its own estimates for volatility adjustments (comprehensive method) for credit risk mitigation techniques. This permission was given without limitation.

Qualitative disclosure as of 31 December 2023

In accordance with the “Revised Framework of International Convergence of Capital Measures and Rules” (Basel), Bank Austria is firmly committed to satisfying the requirements for recognition of Credit Risk Mitigation (hereafter “CRM”) techniques for regulatory capital purposes, according to the approach adopted (Advanced IRB).

Bank Austria has acknowledged the regulatory requirement with specific internal Guidelines issued locally and by the Holding Company, in compliance with the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (CRR) and Regulation (EU) No. 876/2019 of 20 Mai 2019 (amending Regulation (EU) No 575/2013).

Such Guidelines pursue several objectives:
- to encourage collateral and guarantees optimal management;
- to maximize the mitigating effect of collateral and guarantees on defaulted loans;
- to attain positive effect on Group capital requirements, ensuring that local CRM practices meet minimum “Basel” requirements;
- to define general rules for eligibility, valuation, monitoring and management of collateral (funded protection) and guarantees (unfunded protection) and to detail special rules and requirements for specific collateral/guarantees.

Credit Risk mitigations are accepted only to support loans and they cannot serve as a substitute for the borrower’s ability to meet its obligations. For this reason they must be evaluated in the credit application along with the assessment of the creditworthiness and the repayment capacity of the borrower, emphasizing the importance of the “legal certainty” requirement for all collaterals and guarantees, as well as their suitability.

Bank Austria put in place all necessary actions to:
- fulfill the respect of any contractual and legal requirements, and take all steps necessary to ensure the enforceability of the collateral/guarantee arrangements under the applicable law;
- conduct sufficient legal review confirming the enforceability of the collateral/guarantee arrangements on the parties and in the relevant jurisdictions.

Such a review is repeated as necessary to ensure the enforceability of the security interest over the entire term of the underlying collateralized loan exposure. Furthermore, attention is always paid to the adequacy of a collateral agreement. Adequate collateralization by way of physical collateral and guarantee or surety exists if it is consistent with the underlying credit exposure and there are no relevant risks vis-à-vis the collateral provider.

In general, strict internal instructions and procedures are in place to ensure the formal enforceability of any physical collateral and guarantee or surety taken.

Collateral management assessments and Credit Risk Mitigation compliance verifications are performed specifically as part of the wider process of internal validation on rating.

Policies and processes for on- and off-balance sheet netting

In general, netting agreements on balance sheet of reciprocal credit exposures between the Bank and its counterparty are considered eligible if they are legally effective and enforceable in all relevant jurisdictions, including in the event of default or bankruptcy of counterparty, and if they meet the following operational conditions:
- provide for the netting of gains and losses on transactions cleared under the master agreement so that a single net amount is owed by one party to the other;
- fulfil the minimum requirements for recognition of financial collateral (valuation requirements and monitoring).

Disclosure of credit risk mitigation techniques

In general, Bank Austria apply netting agreements only if they are able at any time to determine the position netting value (assets and liabilities with the same counterparty that are subject to the netting agreement), monitoring and controlling debts, credit and netting value.

Netting instruments are mainly used for OTC derivatives, repos and securities lending transactions where the counterparties are – generally – Financial Institutions. The primary objective of the bank is to cover with netting agreements as many as possible transactions to reduce utilization of credit lines and to release the amount of required regulatory capital. In this regard, a special Global Policy ("Counterparty Credit Risk") has been issued aiming at defining an efficient and comprehensive framework for collateral management to safeguard the bank from avoidable risk-taking.

The effectiveness of a collateral agreement of each individual counterparty relationship depends on the selection of appropriate assets qualifying as eligible collateral. Certain collateral types may present inherent risks related to the price volatility, the liquidity and the settlement of the asset. In addition, the collateral assets must be assessed in the context of the collateral providing counterparty (double default risk). The mentioned policy details the eligibility criteria for both OTC derivatives and Repo/securities Lending Transactions, and defines the requirements in terms of documentations, requiring, as a general base, market standard agreements such as ISDA Master Agreement, Global Master Repurchase Agreement or European Master Agreement.

Policies and processes for collateral evaluation and management

Bank Austria has implemented a clear and robust system for managing the credit risk mitigation techniques, governing the entire process for evaluation, monitoring and management of collaterals.

The assessment of the collateral value is based on the current market price or the estimated amount which the underlying asset could reasonably be liquidated for (i.e. pledged financial instrument or mortgaged real estate fair value).

For financial instruments, valuation methods are different depending on their type:
- securities listed on a recognized stock exchange, are evaluated according to the market price (the price of the most recent trading session);
- securities not listed on a recognized stock exchange, have to be based on pricing models based on market data;
- undertakings for Collective Investments and mutual funds are based on the price for the units that are publicly quoted daily.

The market price of pledged securities is adjusted by applying haircuts for market price and /or foreign exchange volatility, according to regulatory requirements.

In case of currency mismatch between the credit facility and the collateral, an additional haircut is applied.

Possible mismatches between the maturity of the exposure and that of the collateral are also considered in the adjusted collateral value.

The current models in place are based on internally estimated haircuts. The methodological approach provides that the hedging value has to be estimated for each financial instrument on the basis of its market value (i.e. mark-to-market) adjusted with a haircut that has to consider the intrinsic riskiness according to the different factors (price risk, time of ownership and liquidity risk).

Bank Austria is provided with a tool for the automatic evaluation of the mark- to- market of the pledged securities, granting the constant monitoring of the financial collateral values.

For the valuation of real estate collateral, specific processes and procedures ensure that the property is evaluated by an independent appraiser. In Bank Austria systems for the periodic monitoring and revaluation of the real estate collateral, based on statistical methods, adopting internal databases or provided by external info-providers, are in place.

Other types of collateral are subject to specific prudential haircuts. Monitoring activities strictly depend on the collateral characteristics. In general pledges on goods are treated with caution.

Disclosure of credit risk mitigation techniques

Description of the main types of collateral taken

The collateral accepted in support of credit lines primarily includes real estate, both residential and commercial and financial instruments collateral, including debt securities, equities, and units of Undertakings for Collective Investment in Transferable Securities (UCITS). The remaining part includes pledges on other assets and other collaterals.

However, in order to be considered eligible for risk mitigation, the general requirements according to Supervisory Regulations must be met, along with the specific requirements for the approach adopted for purposes of calculating regulatory capital for the individual counterparty/exposure (Standardized, F-IRB, A-IRB), in accordance with the legal framework of the country in scope.

The UniCredit Holding Company provides specific guidelines for the eligibility of all kinds of collaterals and each Legal Entity shall define the list of eligible collateral, according to Group methods and procedures and in compliance with local legal and supervisory requirements and peculiarities.

Main types of guarantors and credit derivative counterparties and their creditworthiness

Personal guarantees can be accepted as module complementary and accessory to the granting of loans, for which the risk mitigation serves as additional security for repayment.

At portfolio level, personal guarantees are provided by banks, government, central banks and other public entities and others. The last category includes the personal guarantees provided by natural persons, whose eligibility for CRM depends on the specific approach.

Credit derivative protection providers are mainly banks and institutional counterparties.

The list of eligible protection providers depends on the specific approach, Bank Austria recognize guarantees provided if the relevant minimum requirements are satisfied and that the protection provider risk profile can be evaluated at the time that the guarantee is established and over its entire duration.

Before a personal guarantee is accepted, the protection provider (or the protection seller in case of credit default swap) must be assessed to measure his/her creditworthiness and risk profile. The hedging effect of guarantees/credit derivatives for the purpose of credit protection depends basically on the creditworthiness of the protection provider which is assessed during the credit underwriting phase.

Information about market or credit risk concentrations of the used credit risk mitigation instruments

Concentration risk occurs when a major part of collateral financial assets (at portfolio level) is concentrated in a small number of collateral types, protection instruments, or specific providers of collaterals or sectors or when there is lack of proportion in the volume of collaterals taken.

Such concentration is monitored and controlled by the following processes/mechanisms:

- In case of personal guarantees/credit derivatives, a contingent liability (indirect risk) is charged to the protection provider. In the evaluation of the credit application, a secondary commitment is added to the guarantor and it is reflected in the guarantor’s total credit exposure as deemed competent and approved in accordance with the bank’s system of authority;
- In case the protection provider, directly or indirectly, is a Central Bank or a Sovereign, a specific credit limit must be instructed and, if the guarantor is a foreign subject, a country limit must be obtained, if necessary.

Disclosure of credit risk mitigation techniques

EU CR3 – CRM techniques overview (Art. 453 CRR)

EU CR3 - CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

(€ million)

	DESCRIPTION	UNSECURED CARRYING AMOUNT	SECURED CARRYING AMOUNT	OF WHICH: SECURED BY COLLATERAL	OF WHICH: SECURED BY FINANCIAL GUARANTEES	OF WHICH: SECURED BY CREDIT DERIVATIVES
		a	b	c	d	e
1	Loans and advances	39,760	36,258	28,032	8,227	-
2	Debt securities	18,887	-	-	-	
3	**Total as at 31.12.2023**	**58,647**	**36,258**	**28,032**	**8,227**	**-**
4	*of which: non-performing exposures*	*297*	*1,141*	*770*	*372*	-
EU-5	*of which: defaulted*	*297*	*1,141*			
	Total as at 31.12.2022	**64,872**	**33,577**	**26,064**	**7,513**	**-**
	of which: non-performing exposures	*360*	*919*	*459*	*460*	-
	of which: defaulted	*360*	*919*			

The secured and unsecured carrying amounts correspond to the amount of the gross credit exposure belonging to the following accounting portfolios:

- Cash balances at banks and central banks and other demand deposits;
- Financial assets at amortised cost;
- Financial assets at fair value through other comprehensive income;
- Financial assets at fair value through profit or loss - designated at fair value;
- Financial assets at fair value through profit or loss - mandatorily at fair value.

Disclosure of credit risk mitigation techniques

EU CR4 – Standardised approach – Credit risk exposure and CRM effects (Art. 453 CRR)

EU CR4 - Standardised approach - Credit risk exposure and CRM effects

(€ million)

	EXPOSURE CLASSES	EXPOSURES BEFORE CCF AND BEFORE CRM		EXPOSURES POST CCF AND POST CRM		RWEA AND RWEA DENSITY	
		ON-BALANCE SHEET EXPOSURES	OFF-BALANCE SHEET EXPOSURES	ON-BALANCE SHEET EXPOSURES	OFF-BALANCE SHEET EXPOSURES	RWEA	RWEA DENSITY (%)
		a	b	c	d	e	f
1	Central governments or central banks	17,809	1,544	21,455	176	753	3.5%
2	Regional government or local authorities	3,944	2,669	6,341	207	6	0.1%
3	Public sector entities	1,553	310	505	9	102	19.9%
4	Multilateral development banks	267	-	379	8	-	-
5	International organisations	1,864	0	1,864	0	-	-
6	Institutions	5	-	239	25	61	22.9%
7	Corporates	2,756	2,853	2,340	196	1,868	73.6%
8	Retail	683	63	466	21	350	71.9%
9	Exposures secured by mortgages on immovable property	459	4	459	2	185	40.1%
10	Exposures in default	162	2	147	1	188	127.1%
11	Exposures associated with particularly high risk	0	-	0	-	0	150.0%
12	Covered bonds	1	-	1	-	0	16.6%
13	Exposures to institutions and corporates with a short-term credit assessment	18	-	24	-	8	34.0%
14	Units or shares in collective investment undertakings	-	0	-	0	0	1250.0%
15	Equity exposures	510	-	510	-	1,270	249.0%
16	Other items	639	-	639	-	528	82.6%
17	**Total as at 31.12.2023**	**30,671**	**7,445**	**35,371**	**645**	**5,320**	**14.8%**
	Total as at 31.12.2022	**33,136**	**5,577**	**38,012**	**489**	**5,309**	**13.8%**

Decrease of on-balance sheet exposure by €2.5bn before credit conversion factor and credit risk mitigation and €2.7bn after credit conversion factor and credit risk mitigation, respectively, compared with 31 December 2022, mainly due to a decrease at central governments or central banks (TLTRO repayment). Increase in off-balance sheet exposure mainly due to higher exposure to regional government / local authorities.
RWA density (14.8%) increased by 1 percentage point as compared to the previous year.

Disclosure of credit risk mitigation techniques

EU CR7 – IRB approach – Effect on the RWAs of credit derivatives used as CRM techniques (Art. 453 CRR)

EU CR7 - IRB approach - Effect on the RWEAs of credit derivatives used as CRM techniques

(€ million)

	EXPOSURE CLASSES	PRE-CREDIT DERIVATIVES RISK WEIGHTED EXPOSURE AMOUNT	ACTUAL RISK WEIGHTED EXPOSURE AMOUNT
		a	b
1	**Exposures under F-IRB**	**-**	**-**
2	Central governments or central banks	-	-
3	Institutions	-	-
4	Corporates	-	-
4.1	*of which: Corporates - SMEs*	-	-
4.2	*of which: Corporates - Specialised lending*	-	-
5	**Exposures under A-IRB**	**21,828**	**21,828**
6	Central governments or central banks	282	282
7	Institutions	1,003	1,003
8	Corporates	13,561	13,561
8.1	*of which: Corporates - SMEs*	*2,067*	*2,067*
8.2	*of which: Corporates - Specialised lending*	*522*	*522*
9	Retail	6,981	6,981
9.1	*of which: Retail – Secured by immovable property SMEs*	*496*	*496*
9.2	*of which: Retail – Secured by immovable property non-SMEs*	*3,655*	*3,655*
9.3	*of which: Retail – Qualifying revolving*	*468*	*468*
9.4	*of which: Retail – Other SMEs*	*291*	*291*
9.5	*of which: Retail – Other non-SMEs*	*2,071*	*2,071*
10	**Total as at 31.12.2023 (including F-IRB exposures and A-IRB exposures)**	**21,828**	**21,828**
	Total as at 31.12.2022 (including F-IRB exposures and A-IRB exposures)	**19,711**	**19,711**

The above table illustrates the effect of credit derivatives on IRB approach capital requirements' calculation, comparing RWA before and after credit derivatives mitigation.

In Bank Austria, there is no effect from such mitigation techniques on RWA under the IRB approach.

Disclosure of credit risk mitigation techniques

EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques (Art. 453 CRR)

EU CR7-A - IRB approach - Disclosure of the extent of the use of CRM techniques - AIRB

(€ million)

			CREDIT RISK MITIGATION TECHNIQUES				
			FUNDED CREDIT PROTECTION (FCP)				
				PART OF EXPOSURES COVERED BY OTHER ELIGIBLE COLLATERALS (%)			
		TOTAL EXPOSURE VALUE	PART OF EXPOSURES COVERED BY FINANCIAL COLLATERALS (%)		PART OF EXPOSURES COVERED BY IMMOVABLE PROPERTY COLLATERALS (%)	PART OF EXPOSURES COVERED BY RECEIVABLES (%)	PART OF EXPOSURES COVERED BY OTHER PHYSICAL COLLATERAL (%)
A-IRB		a	b	c	d	e	f
1	Central governments or central banks	2,251	0.02%	-	-	-	-
2	Institutions	6,587	6.52%	0.07%	0.01%	0.06%	-
3	Corporates	42,979	1.63%	28.51%	27.41%	0.80%	0.29%
3.1	*of which: Corporates – SMEs*	*6,866*	*4.44%*	*70.59%*	*69.41%*	*1.05%*	*0.13%*
3.2	*of which: Corporates – Specialised lending*	*1,058*	*5.83%*	*72.27%*	*72.27%*	-	-
3.3	*of which: Corporates – Other*	*35,054*	*0.95%*	*18.94%*	*17.83%*	*0.78%*	*0.33%*
4	Retail	21,904	1.05%	58.77%	58.77%	0.01%	-
4.1	*of which: Retail – Secured by immovable property SMEs*	*1,716*	*1.27%*	*91.42%*	*91.40%*	*0.01%*	-
4.2	*of which: Retail – Secured by immovable property non-SMEs*	*13,030*	*0.60%*	*86.75%*	*86.75%*	*0.00%*	-
4.3	*of which: Retail – Qualifying revolving*	*2,710*	-	-	-	-	-
4.4	*of which: Retail – Other SMEs*	*734*	*8.01%*	*0.18%*	-	*0.18%*	-
4.5	*of which: Retail – Other non-SMEs*	*3,714*	*1.93%*	*0.00%*	-	*0.00%*	-
5	**Total as at 31.12.2023**	**73,721**	**1.84%**	**34.09%**	**33.44%**	**0.48%**	**0.17%**
	Total as at 31.12.2022	**73,698**	**2.49%**	**31.45%**	**31.32%**	**0.01%**	**0.12%**

continued: EU CR7-A - IRB approach - Disclosure of the extent of the use of CRM techniques - AIRB

(€ million)

		CREDIT RISK MITIGATION TECHNIQUES						CREDIT RISK MITIGATION METHODS IN THE CALCULATION OF RWEAS	
		FUNDED CREDIT PROTECTION (FCP)				UNFUNDED CREDIT PROTECTION (UFCP)			
		PART OF EXPOSURES COVERED BY OTHER FUNDED CREDIT PROTECTION (%)							
			PART OF EXPOSURES COVERED BY CASH ON DEPOSIT (%)	PART OF EXPOSURES COVERED BY LIFE INSURANCE POLICIES (%)	PART OF EXPOSURES COVERED BY INSTRUMENTS HELD BY A THIRD PARTY (%)	PART OF EXPOSURES COVERED BY GUARANTEES (%)	PART OF EXPOSURES COVERED BY CREDIT DERIVATIVES (%)	RWEA WITHOUT SUBSTITUTION EFFECTS (REDUCTION EFFECTS ONLY)	RWEA WITH SUBSTITUTION EFFECTS (BOTH REDUCTION AND SUBSTITUTION EFFECTS)
A-IRB		g	h	i	j	k	l	m	n
1	Central governments or central banks	-	-	-	-	-	-	282	282
2	Institutions	-	-	-	-	-	-	995	1,003
3	Corporates	0.28%	-	0.03%	0.25%	-	-	13,577	13,561
3.1	*of which: Corporates – SMEs*	*0.34%*	-	*0.17%*	*0.17%*	-	-	*2,074*	*2,067*
3.2	*of which: Corporates – Specialised lending*	*0.32%*	-	-	*0.32%*	-	-	*522*	*522*
3.3	*of which: Corporates – Other*	*0.26%*	-	*0.01%*	*0.26%*	-	-	*10,980*	*10,973*
4	Retail	3.44%	-	3.44%	0.00%	-	-	6,982	6,981
4.1	*of which: Retail – Secured by immovable property SMEs*	*3.50%*	-	*3.50%*	-	-	-	*496*	*496*
4.2	*of which: Retail – Secured by immovable property non-SMEs*	*3.02%*	-	*3.02%*	*0.00%*	-	-	*3,656*	*3,655*
4.3	*of which: Retail – Qualifying revolving*	-	-	-	-	-	-	*468*	*468*
4.4	*of which: Retail – Other SMEs*	*7.74%*	-	*7.66%*	*0.08%*	-	-	*292*	*291*
4.5	*of which: Retail – Other non-SMEs*	*6.55%*	-	*6.55%*	*0.00%*	-	-	*2,071*	*2,071*
5	**Total as at 31.12.2023**	**1.18%**	**-**	**1.04%**	**0.14%**	**-**	**-**	**21,837**	**21,828**
	Total as at 31.12.2022	**1.33%**	**-**	**1.06%**	**0.27%**	**-**	**-**	**19,734**	**19,711**

Bank Austria does not apply the F-IRB approach, therefore, the respective part of this table is not being disclosed.

Declarations

Declaration by the Manager charged with preparing the financial reports

The undersigned Barbara Viti, in her capacity as the Manager charged with preparing the financial reports of UniCredit Bank Austria AG

DECLARES

that the information disclosed in this document corresponds to the document results, books and accounts records.

Vienna, 15 March 2024

Barbara Viti

Declaration pursuant to the EBA Guidelines 2016/11 on disclosure requirements under Part Eight of Regulation (EU) No 575/2013

The undersigned Hélène Buffin (Chief Financial Officer) and Barbara Viti (as Manager charged with preparing the financial reports) of UniCredit Bank Austria AG

CERTIFY

that, pursuant to the EBA Guidelines 2016/11 on disclosure requirements under Part Eight of Regulation (EU) No 575/2013 ("CRR") 4.2 paragraph – section C, disclosures provided according to the aforementioned Part Eight have been prepared in accordance with the internal control processes agreed upon at the management body level.

Vienna, 15 March 2024

Hélène Buffin

Barbara Viti